

Exhibit B Part 1



CASE III

Central Agreement

Between
Case Corporation
and
International Union,
United Automobile,
Aerospace and
Agricultural Implement
Workers of America
and

Local Agreement

Local Union No. 1356T
East Moline, Illinois

May 14, 1998

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CENTRAL AGREEMENT

Notes

THIS AGREEMENT is made and entered into this 14th day of May, 1998, by and between CASE CORPORATION (hereinafter referred to as the "Company") or its successor, and INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, AND ITS LOCAL UNION NUMBER 1356T (hereinafter referred to as the "Union").

ARTICLE I

RECOGNITION

The Company recognizes the Union as the exclusive bargaining representative for the purpose of collective bargaining with respect to rates of pay, wages, and other conditions of employment only for employees at the Company's East Moline Plant who are and hold the position of full-time and part-time industrial engineers, process engineers, advance planning process engineers, facility engineers, long range planning engineers, PCC Engineers and metallurgist/quality control engineers in the following departments:

Industrial Engineering
Manufacturing Services
Facility Engineering
Quality Control Laboratory

but excluding all other employees at the East Moline Plant including any and all design engineers, product engineers, professional employees, managerial employees, supervisors, confidential employees, and guards.

For purposes of this Agreement, part-time shall be defined as, and limited to, employees who are not full-time and who regularly work less than a forty (40) hour work week.

ARTICLE II

NO DISCRIMINATION

The Company and the Union agree that neither will discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, religion, handicap or age in violation of the applicable laws intended to prevent such discrimination. Further the Company and the Union agree to comply with the pertinent provisions of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans Readjustment System Act of 1974, as amended, and the applicable executive orders governing discrimination in employment. Consistent with the terms of this Agreement, the Company and the Union subscribe to the principles of affirmative action to encourage the employment of minority group applicants and assure that employees are treated during

employment without regard to their race, creed, color, sex, national origin, religion, or age.

Whenever a reference to male gender appears in this Agreement, it is understood that such language is nonrestrictive and is intended to include females.

ARTICLE III

UNION SECURITY

Section 1. Union Shop.

This Article shall be construed and completed with in conformity with and subject to all Federal and State laws having a bearing on the subject matter hereof.

- A. An employee in the bargaining unit who is a member of the Union in good standing on the effective date of this Agreement shall commencing thirty (30) days thereafter maintain his membership in the Union for the duration of this Agreement as a condition of employment to the extent of paying an initiation fee (if due and owing under the International Union Constitution), and the current periodic dues uniformly required as a condition of acquiring or retaining membership in the Union.
- B. An employee in the bargaining unit on the effective date of this Agreement who is not a member of the Union on the effective date of this Agreement shall be required to become a member within ten (10) days after the thirtieth (30th) day following their date of employment. Employees required to join the Union under this subsection shall maintain their membership as a condition of employment to the extent of paying an initiation fee (if due and owing under the International Union Constitution) and the current periodic dues uniformly required as a condition of retaining membership in the Union.

- C. The Union shall accept into membership each employee covered by this Agreement who tenders to the Union the initiation fee and the periodic dues uniformly required as a condition of acquiring or retaining membership in the Union.
- D. "Member of the Union in good standing" as used in A and B above means any employee who is a member of the Union and is not more than thirty (30) days in arrears in the payment of periodic dues.
- E. Initiation fees for membership in the Union shall not exceed the amount prescribed by the Constitution of the International Union at the time the employee becomes a member.

Section 2. Payroll Deduction of Union Dues.

- A. For the Duration of this Agreement and subject to the applicable federal and state laws and the provisions of this Section 2, the Company agrees to deduct from the wages earned and pay over to the Local Union the Union membership dues of all employees within the bargaining unit who are members of the Union and who in writing authorize and request the Company to do so in accordance with the provisions of this section. "Union membership dues," as used herein, means the employees' periodic dues and initiation fees, if any. Should the Local Union later certify to the Company that the amount due as periodic Union dues has been changed, the Company shall deduct and remit in accordance with such certification. The Local Union will keep the Company informed of the proper amounts to be deducted in each case.
- B. Employees who desire to authorize and request the Company to make such deductions and payment of their Union membership dues shall use the form attached hereto as Exhibit No. 1 and entitled "Authorization for Check-off of Dues."
- C. The deduction of Union membership dues shall be deducted from the wages and/or SUB Benefits of each employee upon properly filling out and signing the Authorization for Check-Off of Dues Forms. Union dues will be deducted for the current month and promptly remitted to the financial secretary of the Local Union, UAW. At the time of such remittance to the financial secretary, the Company shall submit the names of the employees from whose pay the deductions are made and the amounts deducted in each case. At the beginning of each month the Company will provide to the financial secretary of the Local Union a list of employees hired, terminated, and on leave of absence. The dues deduction shall be calculated on the wages earned during the first full pay period of the month and deducted from the earnings of the second pay period, which is paid the third week of the month. If the earnings are not sufficient to pay the dues deduction in said second pay period, the deduction will be made the next pay period in which the earnings are sufficient. Provisions covering Union dues deduction relating to Supplemental Unemployment Benefits are covered in the Supplemental Unemployment Benefits Plan. The Company will furnish at the end of each year a statement to the employees showing the total amount of Union dues deducted for the year.
- D. The Union shall indemnify and save the Company harmless against any form of liability that shall arise out of any action taken by the Company in reliance upon employee payoff deduction authorization forms submitted to the Company by the Union.

Section 3. Introduction of New Employees.

To facilitate the administration of this Agreement, the Supervisor will introduce an employee who is new in the department or shift, to the appropriate Union Representative. If the Union Representative is present this will be done the first day of the employee is in the department.

ARTICLE IV

FUNCTIONS OF MANAGEMENT

- A. It is agreed that the Company retains the sole right to manage the affairs of the business and to direct the working forces of the Company. Such functions of management include (but are not limited to) the right to:
- (1) Determine the methods, products, and schedules of production and/or operation, locations of production and/or operation, the type of manufacturing or other equipment and sequences of manufacturing processes or any and all other operations.
 - (2) Determine the basis for selection, retention and promotion of employees for occupations not within the bargaining unit established in this Agreement.
 - (3) Maintain the discipline of employees including the right to make reasonable rules and regulations for the purpose of efficiency, safe practices and discipline. Such rules and regulations shall be published.
 - (4) Direct generally the work of the employees including the right to hire, discharge, suspend or otherwise discipline employees for good cause; to promote, demote, or transfer employees; to assign them to shifts; to determine the volume of production or other operational needs or requirements and to lay them off because of lack of work or any other legitimate reason.

All of the foregoing is subject to the terms and conditions of this Agreement.

ARTICLE V

NO STRIKES OR LOCKOUTS

Section 1. No Strikes.

During the life of this Agreement, the Union shall not cause or support, nor shall any employee or employees take part in, any action against the Company such as a strike, intentional slowdown of production or other operations, or any other interference with or stoppage of the Company's work. The Company shall not conduct a lockout during the term of this Agreement.

Section 2. Special Exception to No-strike Clause.

- A. The provisions of Section 1 shall not apply in the case of grievances involving a specific new or changed incentive standard, or a specific new or changed hourly classification, if the following procedures have been complied with:
- (1) Grievances involving a specific new or changed incentive standard or a specific new or changed hourly classification have been processed according to the grievance procedure and have been appealed to arbitration within the time limits provided in this Agreement.
 - (2) The International Union has filed with the Company a notice signed by an officer to the effect that the Union is withdrawing the grievances from arbitration and declining to arbitrate the issue in dispute.
 - (3) A notice has been posted in the plant for the bargaining unit involved on the Union bulletin board for a period of five (5) working days describing the issue in dispute in the grievances, stating that the issue has been withdrawn from arbitration and advising the employees that a vote by secret ballot will be held to determine whether or not there shall be a strike of all employees in said bargaining unit over the issue involved in the dispute in said grievances.

- (4) The Local Union in a notice from the president of the Local Bargaining Unit has advised the Company in writing that the Local Union has advised its membership that the grievances have been withdrawn from arbitration and that the membership by a majority vote has authorized a strike.
- (5) The International Union has advised the Company by written notice that the International Union has authorized a strike of all employees in the bargaining unit.
- (6) The strike does not begin within ten (10) days following the giving of the last notices, that is, by the International or Local Union provided in (3), (4) and (5). During this ten (10) day period or any mutually agreed upon extension thereof, an earnest effort shall be made by both parties to settle the dispute. If no settlement has been reached by the end of the ten (10) day period or the end of any mutually extended period, the Union shall, within fifteen (15) days, call a strike on the grievances or the grievances shall be deemed settled on the basis of the Company's answer.
- (7) In the event a strike permitted under this section does take place, it shall not take the form of a sitdown, stay-in, or limited strike, but shall be a general strike requiring all employees represented by the Union in the bargaining unit involved to leave the plant. No grievances, disputes, or demands other than the particular issue of the grievances involved, shall be presented by the Union or discussed during such strike period.
- (8) The provisions of this Section shall be strictly followed or the provisions of Section 1 shall apply.

ARTICLE VI

UNION REPRESENTATION

Section 1. Union Representatives.

The Company will recognize two (2) Union Representatives for the purpose of investigating, filing and processing grievances which may arise under the terms of this Agreement. The Union Representatives shall be employees of the Company, selected by the Union from among its membership in Local 1356T. These Union Representatives shall consist of the following:

- One (1) Chairman of the 1356T Bargaining Committee
- One (1) Committeeman 1356T

The Union shall notify the Company, in writing, of the identity of these Union Representatives. The Union Representatives shall be accorded rights under this Article when such notice has been provided to the Company in writing.

The Union may also designate an equal number of Alternate Representatives from among its membership of Local 1356T who shall be employees of the Company. Each of the Alternate Representatives may replace one of the Union Representatives, such replacement relationship having been previously identified, and perform that Union Representative's functions for periods of time that the Union Representative is absent from the plant. The Union shall notify the Company, in writing, of the identity of the Alternate Union Representatives and the identity of the Union Representatives that the respective Alternate may replace.

Alternate Representatives shall be accorded rights under this Article when such notice has been provided to the Company in writing.

The Company will recognize a Joint Union Bargaining Committee for the amalgamated Local 1356 from the Representatives listed above which shall meet with the Company for the purposes outlined in Section 2 of this Article and in Article VII. The Joint Union Bargaining Committee shall consist of:

One (1) Chairman 1356T
One (1) Chairman 1356C
One (1) President
Two (2) Committeemen 1356C
One (1) Committeeman 1356T

Section 2. Meetings with the Joint Bargaining Committee.

- A. Weekly joint grievance meetings will be held with the Joint Local Bargaining Committee as designated in Section 1 above, on Tuesdays, unless an alternate time is arranged two days prior to the day of the meeting.

The grievance meetings will occur as requested and will be limited to the processing of grievances and the discussion of other items of mutual interest within and among the amalgamated units of Local 1356. Any meetings requested or scheduled under this Section shall be held only when the Union has submitted a written agenda to the Industrial Relations Department three (3) working days prior to the date of the meeting.

- B. Special meetings for emergency matters may be arranged between the Joint Local Bargaining Committee and the Company. Such arrangements shall be made in advance by presenting to the Industrial Relations Department a request for such a meeting, stating the matter to be discussed at such emergency meetings.
- C. Up to three (3) non-employee Union Representatives may participate in such regular or special meetings.

Section 3. Union Business During Working Hours.

The Union Representative (or his Alternate), prior to leaving his work station to investigate, file or process grievances as set forth in Section 1 above, or in Article VII, must notify his supervisor and obtain his permission, and must also notify the supervisor in the area that the Union Representative (or his Alternate) will be visiting.

Section 4. Union Paid Time Off.

Union Representative (or their Alternates) as designated in Section 1 above, will be paid for working time lost investigating, filing and processing grievances as follows:

The Union representation hours for UAW 1356T would total up to forty (40) hours per week to be distributed among the Chairman of the Bargaining Committee and Local Union Committeeman as determined by the Union. The Union agrees to discuss with the Company any redistribution of hours in order to allow the Company reasonable time to effect changes that may be required to reallocate work assignments within the plant that may be required to occur due to changes in Company paid Union hour distribution. The President of Amalgamated Local 1356 will be those hours as specified under the Local 1356C contract.

Section 5. List of Union and Company Representatives.

- A. The Union will present in writing to the Industrial Relations Department the names of the Union Representatives and their Alternates. The Union shall inform the Company promptly of any change in Union Representation.
- B. The Company will present in writing to the Union a list of the supervisors and Industrial Relations Representatives who will discuss grievances in Steps 1 and 2, and will inform the Union promptly of any changes in this list.

ARTICLE VII

GRIEVANCE PROCEDURE

Section 1. Definition.

The term "grievance" as used herein, shall mean a complaint involving the interpretation or application of this Agreement. Grievances of a general nature, and involving matters which are outside the jurisdiction of the supervisor will be known as policy grievances and may be presented in Step 2. Any settlement of a policy grievance shall be reduced to writing and signed by both parties. At its option, the Union may also initially present, at Step 2, grievances involving the discharge or suspension of an employee.

Section 2. Grievance Procedure Steps.

Any employee having a complaint shall first present it orally to the employee's immediate supervisor. Prior to the initiation of this formal grievance procedure, every reasonable effort will be made by the supervisor and the employees to satisfactorily settle the complaint.

An employee desiring to have the Union take up his grievance may contact the appropriate Union Representative as designated in ARTICLE VI and the grievance will then be processed in the following manner:

Step 1. If an employee's complaint cannot be resolved in a reasonable period of time, not to exceed two (2) working days, the complaint may be made a grievance by reducing the same to writing, signed by the employee and/or the appropriate Union Representative and submitting the same to the employee's immediate supervisor. The grievance must be submitted on a form provided by the Company. After meeting with the appropriate Union Representative, when necessary, the supervisor will answer the grievance in writing within two (2) working days of the date that the grievance was first submitted to the supervisor in writing. If the supervisor does not respond to the grievance in writing within this two (2) working day period, the grievance will be automatically passed on the next step.

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Step 2. The supervisor's decision will be considered final unless, within five (5) working days of the issuance of that decision, the grievance is appealed in writing to the Human Resources Department. Grievances so appealed shall be placed on the Agenda for the next regular grievance meeting as set forth in Article VI, Section 2, said meeting to be attended by the Local Bargaining Committee, and representatives from the Industrial Relations Department.

Prior to the third step meeting a joint investigation will be conducted at the location upon the request of either party. At such joint investigation the parties will exchange and update any relevant information concerning the grievance, and attempt to agree upon operative facts and clarify any issues for the third step meeting.

The Company will give a written response to the grievance within five (5) working days of the meeting.

Section 3. Arbitration.

A. The Company's answer will be considered final unless, within (10) working days of the issuance of that decision, the Union requests, in writing, that the grievance be placed on the Agenda of grievances to be reviewed at the next scheduled meeting at the East Moline Plant between the Local Union's Chairman, Union International Representatives and representatives from the Company's Corporate and Plant Human Resources Departments. Grievances settled at this meeting will be answered in writing by the Company. Any grievances not settled in this meeting will be placed on the Arbitration Docket at that meeting. Grievances placed on the Arbitration Docket will be scheduled for arbitration and arbitrated in the order filed (i.e., date of grievance). Extraordinary cases may be advanced out of this order by mutual agreement of the parties at this meeting.

B. The parties recognize the importance of resolving disputes without referral to outside agencies or services. In this regard, the parties will meet as described in Section 3 A. above for this purpose. Two (2) weeks prior to the pre-arbitration meeting the Local Union will submit the grievance numbers and alleged violations to the appropriate International Representatives of

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the UAW and the Plant Human Resources Manager. These grievances will be reviewed and processed under this ARTICLE.

- C. The Company and the International Union agree that its representatives will mutually arrange for meeting a maximum of three times during each contract year to review grievances prior to arbitration.
- D. The Arbitration Docket agreed to in the meeting of this Section 3 A will be the basis for the Corporate Director of Industrial Relations and the UAW - Case Department to select and schedule arbitrators and arbitration dates in accordance with paragraphs E and F below within the next ten (10) day period following the meeting. This procedure also applies to grievances involving individual discharge cases which may be processed under the Special Discharge Arbitration provision. Those grievances not assigned to arbitration at this meeting will be considered settled on the basis of the Company's last answer.
- E. The parties have, upon the execution of this Agreement (in a separate Letter of Understanding), agreed upon a panel of five (5) permanent arbitrators who shall have referred to them any grievances appealed to arbitration. The Union, at the time it gives its written request to arbitrate under D above, shall suggest the name of one (1) of the five (5) permanent arbitrators, and if the Company does not oppose the suggestion within twenty-four (24) hours, then the named arbitrator shall be selected. If the Company does oppose, then it shall name two (2) of the five (5) arbitrators who would be acceptable to it within the above noted time. Then the Union, within twenty-four (24) hours, shall pick one (1) arbitrator from the two (2) thus named; the arbitrator picked by the Union shall be selected.
- F. The arbitrator selected shall be immediately notified so that a hearing date may be set for the earliest possible time. Every effort must be made by the parties to act in an expeditious fashion to process an arbitration appeal. If the arbitrator selected is not available to schedule a prompt hearing date, then the selection procedure, under E above, shall be repeated immediately and a new arbitrator selected.

- G. The Company and the Union shall each bear one-half (1/2) the cost of the fees and expenses of the impartial arbitrator.

If a transcript is taken at the arbitration hearing, a copy of the transcript will be furnished the Union at no cost. The Company will pay for one (1) union witness (not including the grievant) directly related to the case for the time actually lost from work to testify at the hearing. The employee will be compensated at his applicable rate.

- H. The functions and jurisdiction of the impartial arbitrator shall be fixed and limited by this Agreement, and he shall have no power to change, add to, or delete from its terms. He shall have jurisdiction only to determine issues involving the interpretation or application of this Agreement; and any matter coming before the impartial arbitrator which is not within his jurisdiction as herein defined shall be returned to the parties without decision or recommendation. In the event any disciplinary action (including reprimands) taken by the Company is made the subject of an arbitration proceeding, the arbitrators authority shall, in addition to the limitation set forth herein, be limited to the determination of the question of whether the employee involved had been disciplined for proper cause, except that if the arbitrator finds that the penalty assessed by the Company is inappropriate for the offense or offenses committed, he may modify that penalty.

- I. If an insurance issue involving medical findings is not resolved in the insurance review under ARTICLE XIV, Section 4.B, then either party may request at the 3rd step meeting that the issue be submitted to a 3rd physician for an opinion. The parties will mutually agree to a 3rd physician for a referral examination of fact, tests, and consultation, as he may feel necessary. The 3rd physician will be provided with all relevant medical documentation from previous examining physicians. The function and jurisdiction of the 3rd physician shall be strictly limited to issuing his written opinion containing his medical findings which resolves the dispute between the 1st and 2nd physicians on that medical issue. The 3rd physician shall have no power or authority to issue any opinion, which interprets this contract, or insurance agreements or which relates to the application of such documents. For this limited purpose the 3rd physician shall be deemed to be an arbitrator and his medical findings shall be enforceable under the Uniform

Arbitration Act or other relevant statute. Issues of contract interpretation or application arising out of or relating to the 3rd physician's medical findings shall be submitted to one of the arbitrators on the permanent panel. The expenses of the 3rd physician, including tests, etc. will be shared equally by the parties.

- J. The decision of the arbitrator shall be final and binding on the Company, the Union, and the employee or employees involved.

Section 4. Time Limits on the Processing of Grievances and Employee Attendance.

The time limits for the Union representatives to appeal and the Company representatives to answer may be extended by agreement in writing. Either party may require the presence of the aggrieved employee at any step of the grievance procedure.

Section 5. Time Limit on Grievances.

In remedying grievances filed under this procedure, retroactive applications of any award shall be limited to the date the grievance was first submitted in writing. In situations where the employee could not reasonably have been expected to be aware of the facts giving rise to the grievance, retroactive application of any award shall be limited to a maximum of sixty (60) working days prior to the date the grievance was first submitted in writing provided, however, that in no event will the retroactivity of any award precede the date that the violation actually occurred on.

Section 6. Multiple Grievances.

Unless the parties agree in writing otherwise, multiple grievances shall not be submitted to or heard by the same arbitrator in the same hearing unless the grievances arose out of the identical fact pattern or set of circumstances.

Section 7. Plant Visitation.

International Union representatives, not to exceed three (3) who wish to visit the plant because of a grievance which is in Step 2 or 3 of the grievance procedure, or has been appealed to arbitration, will make such request to the Human Resources Manager who will make arrangements for such visitation.

Section 8. Expedited Arbitration

Re: ARTICLE V

In the event of an alleged violation of ARTICLE V hereunder, the issue arising therefrom may be submitted immediately to one (1) of the permanent arbitrators (referred to in Section 3 above) and heard by said arbitrator within twenty-four (24) hours (or as promptly thereafter as possible) after the occurrence of the alleged violation. If the arbitrator finds that the Agreement has been violated, he shall order that the party or persons in violation cease and desist from such conduct and said order shall be in writing and shall be issued at the conclusion of the arbitration hearing. Utilization of this procedure by the Company or the Union is purely discretionary and its employment shall not operate as a condition upon either the Company's or the Union's resort to other contractual, administrative or judicial remedies. The party initiating the expedited arbitration procedure hereunder shall bear the full cost of the fees and expenses of the impartial arbitrator.

Section 9. Special Discharge Arbitration.

- A. The foregoing provisions of this Agreement are amended to the extent necessary to provide for a grievance involving an individual discharge case.
- B. Within sixty (60) days from the signing of this Agreement, the Corporate Director of Industrial Relations and the UAW-Case Department will confer and select a permanent arbitrator from the panel to be appointed as special arbitrator for discharge cases only. The arbitrator selected will be contacted and arrangements made for priority availability and will be referred to as the special arbitrator for discharge cases. The special arbitrator will serve in such capacity for the duration of this Agreement except that either party may request a change of special arbitrator by giving written notice to the other within the thirty (30) to sixty (60) days period preceding any July 1 of this

Agreement. In the event notice is given or the special arbitrator resigns his position at any time the parties will confer as stated above and agree and arrange for another arbitrator from the panel to assume this position. Any discharge grievance, which the parties mutually agree to process through this special arbitration procedure, will be referred to the "special arbitrator for discharge cases".

- C. Any discharge grievance referred to the special arbitration procedure during the meeting outlined in ARTICLE VII, Section 3, will be scheduled for hearing as soon as possible during the next forty-five (45) days immediately following such meeting. Post hearing briefs will be filed within ten (10) days following the conclusion of the hearing. The arbitrator will render a written award with full opinion within ten (10) days following receipt of the briefs, unless both parties mutually agree to an extension of time beyond the ten (10) days.
- D. One copy of the transcript, if any, of a special discharge arbitration will be furnished to the Union at no cost. The Company will pay any fee necessary to retain the arbitrator selected under paragraph B above. The Company and the Union shall bear one-half (1/2) the cost of all other fees and expenses of the impartial arbitrator.

Section 10. Abbreviated Arbitration.

- A. It is understood and agreed that certain types of grieved matters may lend themselves to a more prompt resolution where necessary proof can be condensed to stipulated facts, documentary evidence and limited testimony, and where the issues involved do not need lengthy, deliberate consideration by the Umpire. In such cases the Company and the Union will cooperate to expedite the arbitration procedure. Written notice of desire to appeal to expedited arbitration must be submitted to the Company within five (5) days from the receipt by the Local Union of the Company's Step 2 answer. Wherever it is practical to do so the parties will stipulate the issues and the facts, thereby reducing the time and expense of the trial.
- B. The panel of arbitrators will be contacted to select the arbitrator who has the first available date, which is acceptable to the parties.

- C. At the conclusion of the hearing the parties by mutual agreement may waive the filing of briefs and in any event the arbitrator will be urged by both parties to render his decision as soon as possible.

ARTICLE VIII

DISCIPLINE AND DISCHARGE

- A. (1) An employee will not be suspended, discharged or reprimanded except for good cause. Where discipline is issued, in the case of suspension or discharge, union representation shall be made available to the employee to witness the issuance of the discipline.
 - (2) The employee's responsibility is to perform their work in a professional manner that does not, in any way, compromise their status as a Company representative.
- B. If the matter involves suspension or discharge, the supervisor will, if requested, immediately discuss the matter with the appropriate union representative and the employee. Where the discharge or suspension involves discipline for tardiness or absenteeism, the employee, upon filing a grievance, will not be required to leave the plant until the emergency meeting C below has been held.
- C. If a grievance is filed on a suspension or discharge, it will be handled as an emergency matter in a special meeting to be held within two (2) working days after the filing of such grievance. This meeting may be attended by two (2) union representatives and/or a pertinent witness. The subsequent Company response shall constitute the second step answer.
- D. Copies of written reprimands, including disciplinary action, will be given to the employee at the time of such reprimand or discipline with a copy to the Union.
- E. In imposing discipline on a current charge, the Company will not take into account any reprimand which was issued more than two (2) years previously.

F. Disciplinary layoffs or suspensions shall not affect an employee's qualification for Holiday pay.

ARTICLE IX SENIORITY

Section 1. Definition.

Seniority is an employee's length of service with the Company at each respective bargaining unit from his last hiring date in said bargaining unit (1356T). The seniority of an employee, who was hired into a job outside a bargaining unit (1356T) and then transferred into that bargaining unit, will date from the date of his transfer into that bargaining unit.

Section 2. Probationary Employees.

A newly hired or rehired employee shall be considered an employee on probation for a period of sixty (60) calendar days, which must be completed within twelve (12) months. This period is intended to give the Company an opportunity to evaluate the new employee's suitability and his work performance and his termination for reasons related to suitability and work performance is entirely within the discretion of the Company. An employee retained beyond the probationary period shall acquire seniority in the Bargaining Unit and his seniority will date back to his hiring date.

Section 3. Transfers out of Bargaining Unit.

Employees transferred out of the Bargaining Unit after the effective date of this Agreement, and subsequently transferred back into the Bargaining Unit, shall receive seniority credit for all of their service with the Company while in the Bargaining Unit.

After the effective date of this Agreement, an employee(s) who transfers out of the Bargaining Unit and subsequently returns to the Unit will, upon return to the Bargaining Unit, be placed in any vacancy (that has cleared the Promotion, Transfer and Recall Procedure) in the last classification in which he worked just prior to leaving the Bargaining Unit. If no such vacancy (that has cleared the Promotion Transfer and Recall Procedure) exists, the employee will not be transferred back into the Bargaining Unit.

Section 4. Termination of Seniority.

An employee's seniority shall be terminated for any one of the following reasons:

- (1) If he quits.
- (2) If he is discharged for good cause.
- (3) If he is absent for more than three (3) consecutive working days without properly notifying the Company, unless circumstances make it impossible to do so.
- (4) If he fails to report to the Employment Office within three (3) consecutive working days in response to a recall notice, unless circumstances make it impossible to do so. Recall notice by registered mail, return receipt requested, will be mailed to the employee's last address on record at the plant. The Company shall be entitled to rely upon the last address on record, and it shall be the employee's responsibility to immediately notify the Employment Office of any change of address by mail or in person.
- (5) If he fails to report for work upon termination of any leave of absence, unless circumstances make it impossible to do so.
- (6) If he is laid off for a period of time equal to or greater than his length of service provided his seniority shall be retained for a minimum of two (2) years.
- (7) If he is absent due to sickness or nonoccupational injury for five (5) years (except for periods of time covered by the provisions of the Accident and Sickness Plan and/or provisions of the Long Term Disability Plan); or
- (8) If he is retired under a Company pension plan.

Section 5. Layoffs.

- A. The parties recognize and agree that within this Bargaining Unit (1356T), engineering educational background, work experience, skill, ability, job duties and responsibilities are not similar, but are varied and diverse even within the same job classification.
- B. In recognition of the diversity outlined in A, the parties agree to establish non-interchangeable occupational groups to govern the application of seniority in layoffs. These non-interchangeable occupational groups may contain multiple classifications that may have related job duties, responsibilities, skills or functions. These non-interchangeable occupational groups are:
 - 1. Industrial Engineering
 - Industrial engineer
 - 2. Manufacturing Services
 - Process engineer
 - Advance planning process engineer
 - PCC Engineer
 - 3. Facility Engineering
 - Facility engineer
 - Long-range planning engineer
 - 4. Lab
 - Engineer - Quality control
- C. When it becomes necessary to reduce the work force for an indefinite period of time, the following principles shall apply.
 - 1. Employees will be selected for layoff based on the Company's operational needs (e.g. the department that is adversely affected).
- D. As used in this Section 5, "qualified" shall be defined as a reasonable certainty on the part of the Company, through reference to Company records (which may include verifiable previous work experience within or outside the Company), that the employee has the engineering educational background, work experience, skill and ability to then perform the required job duties and responsibilities of the available work with an orientation period. This orientation period shall be for the purpose of acquainting the employee with the peculiarities of the job but shall not constitute, nor shall it include any training.
- 2. All probationary employees within the adversely affected department in that occupational group shall be laid off first, provided there are seniority employees qualified to perform the available work (as defined in D).
- 3. If layoffs are still necessary, the affected employee will be laid off. However, if more than one employee is working in the same classification (in that non-interchangeable occupational group) within the department that is adversely affected, the least senior employee will be laid off first, provided that the remaining senior employees are qualified to perform the available work (as defined in D).
- 4. An employee reduced in accordance with C, 3 may displace the least senior employee in that classification in a non-affected department, provided that the senior employee is qualified to perform the available work (as defined in D).
- 5. An employee reduced in accordance with C, 3 who is unable to displace an employee in accordance with C, 4, may displace the least senior employee in a different classification within that non-interchangeable occupational group, provided that the senior employee is qualified to perform the available work (as defined in D).
- 6. An employee reduced in accordance with C, 3 who is unable to displace an employee in accordance with C, 4 or C, 5, may displace the least senior employee in a different non-interchangeable occupational group, provided that the senior employee is qualified to perform the available work (as defined in D).

- E. Employees who are unable to displace an employee because they were disqualified under D shall be immediately laid off.
 - F. An employee who is displaced in accordance with C 4, 5 or 6 by the initial adversely affected employee may displace the least senior employee in accordance with C 6.
 - G. Under no circumstances will any employee outside of this Bargaining Unit (1356T) be allowed to displace or bump anyone in this Bargaining Unit.
 - H. When it becomes necessary to implement a temporary layoff for a period not in excess of five (5) work days, employees affected will be laid off directly and this Section 5 shall be inoperative.
- (4) When it becomes necessary to fill a position that was vacated in a reduction in force, the Company will fill the position with the employee who held the position immediately prior to the original reduction in force.
- B. Notwithstanding the recall procedure established in A (4) above, when a position becomes available due to an increase in the workforce and the recall procedure is initiated but the person who held the position immediately prior to the original reduction in force no longer has recall rights to that position, an employee may be recalled to a position he did not hold immediately prior to the original reduction in force if all of the following requirements are met:
 - (1) the eligible, qualified employee is laid off and would remain out of work on layoff if not recalled to this position; and,
 - (2) the eligible, qualified employee has held the vacant position and has performed the required job duties and responsibilities to then perform the available work of the vacant position; and
 - (3) the eligible, qualified employee is more senior than other eligible, qualified employees.

Section 6. Recalls.

- A. When it becomes necessary to increase the work force after a reduction in force, the following principles shall apply:
 - (1) The intent of Section 5, A shall apply with equal force to this Section 6.
 - (2) Vacancies created by an increase in the work force, after a reduction in force shall be filled first through this recall procedure. Only after the recall option has been exhausted (i.e. all employees having recall rights to a classification have been recalled) will the vacancy be filled as provided for or not prohibited by this Agreement.
 - (3) The term "recall" and this recall procedure shall be used to fill any position that became vacant through a reduction in force.

- (4) When it becomes necessary to fill a position that was vacated in a reduction in force, the Company will fill the position with the employee who held the position immediately prior to the original reduction in force.
- B. Notwithstanding the recall procedure established in A (4) above, when a position becomes available due to an increase in the workforce and the recall procedure is initiated but the person who held the position immediately prior to the original reduction in force no longer has recall rights to that position, an employee may be recalled to a position he did not hold immediately prior to the original reduction in force if all of the following requirements are met:
 - (1) the eligible, qualified employee is laid off and would remain out of work on layoff if not recalled to this position; and,
 - (2) the eligible, qualified employee has held the vacant position and has performed the required job duties and responsibilities to then perform the available work of the vacant position; and
 - (3) the eligible, qualified employee is more senior than other eligible, qualified employees.
- C. "Qualified" shall be defined the same way as it is in Section 5, D, of this Article IX.

Section 7. Permanent Transfers.

- A. If department or classifications or Teams (consisting of a classification or a group of classifications) are permanently discontinued, employees will be offered other work in accordance with the layoff procedure.
- B. If a majority of a job is transferred from one department or team to another, and the work associated therewith can clearly be identified to an employee(s) in the department, then the employee(s) whose job is being transferred shall be given the option of transferring to the new department. If the employee declines transfer, the remaining employees in the classification in the department in seniority order shall be offered the

- transfer. If no one accepts the transfer, the Company may transfer the employee(s) with the least seniority in the classification.
- C. In those instances where the transfer of work involves a Union Representative identified in ARTICLE VI, Section 1, who is the only employee in a classification, such employee at their option may remain in their area of representation conditioned upon ability to perform the work beginning by displacing the least senior employee in the area they represent.
- Section 8. Promotions and Transfers.**
- A. When a permanent vacancy arises, it will be filled in accordance with the following principles:
- 1) A permanent vacancy is defined as a vacancy created through employee attrition or the creation of a new position. Under no circumstances will a permanent vacancy encompass a position to which an employee has recall rights.
 - 2) When it is determined that a permanent vacancy exists, the vacancy will be filled by the job posting procedure described as follows: The Company will notify the Chairman of the Bargaining Committee and shall also post for two (2) working days in two (2) conspicuous locations agreed to between the Company and the Union, a notice containing the department and a brief description of the classification. Employees who have completed their probationary period, are qualified to perform the work as defined in subparagraph (8) below, and to whom such a move would represent a promotion, may place a written application into the bid box within two (2) working days from when the job opening was posted. The application must be signed and dated by the applicant's immediate supervisor. Each application is valid for the current vacancy only. If such vacancy is reposted, it will be necessary for each interested employee to file a new written application for such posting. An employee desiring to cancel his application must insert an application cancellation notice into the same bid box during the same two (2) working day posting period.
 - (a) Notwithstanding the requirement in (2) above that the move represent a promotion, an application will be accepted from an employee to whom this move represents a move within the same labor grade.
 - (b) Notwithstanding the requirement in (2) above that the move represents a promotion if an employee requests a transfer to a lower rated classification, the parties will meet to discuss the circumstances of the request and, if the parties mutually agree, the application will be accepted.
 - 3) When more than one employee applies for a vacancy, the position will be awarded to the most senior qualified applicant provided that the most senior qualified applicant's job experiences, skills, abilities and prior work experience on the required duties, functions and responsibilities are at least equal to a less senior applicant. If the most senior qualified applicant does not satisfy this requirement, the Company may select the successful candidate from among the remaining bidders.
 - 4) If none of the employees who have applied for promotion or transfer are qualified to perform the work required of the position, the Company may fill the position in any manner not prohibited by this Agreement.
 - 5) Employees may be promoted or laterally transferred under this procedure no more often than once every six (6) months or sooner by mutual agreement between the Company and the Union.
 - 6) An employee having recall rights under Article IX, Section 6, to a position from which the employee was reduced (e.g. bumped, laid off), and who is awarded a position under this procedure shall forfeit any and all recall rights which the employee may have had at that time.
 - 7) An employee who is on an excused absence may make application for a posted position by personally contacting the Employee Relations Department and verbally applying for the open position.

- 8) When selecting employees for positions under this promotion and transfer procedure, the term "qualified" or "qualifications" shall be defined as a reasonable certainty on the part of the Company, through reference to company records and/or interviews and/or verifiable previous work experience, either within or outside the Company, that the employee has the engineering educational background, skills and abilities or the work experience, skills and abilities to perform the work in the posted position with some additional training.
- 9) In the event that an employee is the successful bidder for two (2) or more vacancies at the same time, he shall be contacted to determine which posting he desires. It is understood that such employee must make his choice immediately upon being contacted.
- 10) When at all possible, the Company will make every effort to contact the Union prior to posting a vacancy.
- 11) The employee selected shall be transferred to the posted classification no later than the date that a qualified bidder has been selected and trained to fill the position that the employee is vacating. If possible, the Company will attempt to transition the employee into the new position while his replacement is being selected and trained. Delay in promoting the employee should not exceed thirty (30) days from the date that the employee's replacement has been selected.
- 12) If problems arise in the application of the posting procedure, the parties agree to meet and work to resolve them in good faith.
- B. After an employee has been selected for a position, the following principles shall apply:
- (1) When an employee has been awarded a position under this promotion or transfer procedure, the Company will conduct an evaluation during the initial review period, such period to encompass up to but not in excess of ten (10) working days, to determine whether the employee is qualified as defined in A (8) above to perform the work.
- (2) During the initial review period, a decision will be made as to whether the employee will be allowed to continue in the position.
- (3) In addition to the initial review period established in B (1) above, when the Company determines that the employee's qualifications, as defined in A (8) above, cannot properly be evaluated during this initial review period, the Company will allow the employee to remain in the position until such time that the Company determines a proper evaluation can be made to determine whether the employee can perform the work.
- (4) If it is determined that an employee cannot fulfill the position's requirements, the employee will be returned to the position which the employee held at the time he was awarded the promotion or transfer. An employee so disqualified shall not be available for promotion or transfer to that position for a period of six (6) months from the date of disqualification or sooner if both parties mutually agree.

Section 9. Shift Preference.

- A. Employees with the greatest seniority shall have preference of shifts in their classification and department. When shift preference is exercised the employee with the least amount of seniority (on the shift preferred) in the same department and classification affected, shall be displaced.
- B. An exercise of shift preference may be delayed only when it would result in an imbalance between experienced and inexperienced workers to the extent that an operation could not continue to operate in the previously satisfactory manner. However, the request will be granted as soon as there is a qualified replacement.
- C. An employee may not exercise shift preference more than once each six (6) months. This limitation will not apply where an employee who has exercised shift preference as in A above is displaced by another employee exercising shift preference or curtailment of shift assignment prior to the completion of the six (6) months period.

Section 10. Notice of Layoff.

Except for reasons of emergency, the Company will give at least three (3) days notice prior to layoff to the employee affected. The Company will make every effort to notify the Union in advance of such pending layoff, and provide it a list of the least senior employees in the area who may be removed from the plant. The C.R.E.W. program is governed by its own rules.

Section 11. Seniority List.

The Local Union will be supplied with two copies of the seniority list for each department and unit monthly. In the event a grievance arises concerning the accuracy of either list, all facts shall be made available to the Union representatives dealing with the grievance.

Section 12. Seniority Preference.

For the purpose of providing continued Union representation and for no other reason, stewards (or alternate stewards acting in the capacity of stewards), Union bargaining committeemen, and members of the Executive Board (not to exceed 11 members in total), shall have seniority preference over all the employees they represent conditioned upon the ability to perform the work. Such seniority preferences shall apply only to layoff and recall, except the stewards or Union bargaining committeemen or members of the Executive Board, as outlined above, shall not be removed from their shift through the exercise of shift preference by another employee. At the request of the Local Union, the Company will transfer members of the bargaining committee and/or members of the Executive Board, to a particular shift. This member of the bargaining committee or Executive Board will displace the least senior employee in his classification and department on the shift requested. In the case of temporary layoff, the steward and committeeman in the department, district or area will for representation purposes be the last employee laid off based upon the provisions of this section. See Letters of Understanding.

Section 13. Transfer of Seniority.

In all cases of transfers in lieu of layoff, recalls, permanent transfers, or promotions, when an employee is moved or returned to a classification, department, or seniority unit pursuant to Sections 5, 6, 7, or 8, above, said employee's seniority shall be transferred immediately to the classification, department or seniority unit for purpose of seniority credit only.

Section 14. Temporary Transfers.

- A. Due to the nature of the work, employees may be assigned to perform any work in or out of the bargaining unit provided that such work performed out of the unit shall not include supervising any hourly employee. Such temporary transfer shall be for a period of time up to, but not excess of, sixty (60) consecutive working days, unless the employee so assigned is willing to accept an extension beyond such sixty (60) day period (in such cases the Union will be notified of the extension). Work performed outside the bargaining unit shall not, in any way, broaden or enlarge the Union's jurisdiction or the scope of the bargaining unit.
- B. When an employee is temporarily transferred pursuant to Paragraph A for a period of time which continues uninterrupted into the next payroll period, the employee will receive, for the entire period of the temporary transfer, the regular straight time rate of the position from which he was transferred which he was earning at the time of the transfer or the regular straight time rate of the position to which he was transferred, and at the same relative position within the rate range of the new position which the employee was at in his regular position, which ever is the higher rate. To determine relative position, a calculation will be made in the employee's regular position which shows, on a percentage basis, where the employee was being paid in comparison to the minimum and maximum stated rates within the rate range. This percentage shall then be applied to the rate range of the position to which the employee is temporarily transferred.

Section 15. Corporate-wide Seniority.

The following provisions apply only where plants represented by the UAW are involved.

- Letter of Understanding - re Plant Closings
- Letter of Understanding - re Retraining/Outplacement
- Letter of Understanding - re Plant Preferential Seniority (if applicable)

ARTICLE X LEAVES OF ABSENCE

Section 1. General.

- A. Upon application, leaves of absence not to exceed ninety (90) days, except as provided in Section 2-A, 3 and 4 of this Article X, may be granted employees without loss of seniority in cases where good cause is shown. Such leaves may be renewed or extended where good cause is shown. It will not be necessary for employees to make formal application for leaves of absence for sickness, injury, or vacation.
- B. Any employee who, while on leave of absence, uses such leave for any purpose other than that stated in the application for the leave, shall be deemed to have voluntarily quit.
- C. A Company representative will make a written record of all requests for leaves of absence and of the decision concerning such requests, and the Union shall be furnished with a copy of same.
- D. An employee who is on leave of absence and is qualified for vacation pay shall receive such pay.

Section 2. Union Activities.

- A. An employee elected or appointed to a full-time Union job shall be granted a leave of absence and will accumulate seniority during that period; provided, however, that a formal application will be made as soon as the election or appointment is known to the employee involved. Such leave of absence shall be granted to not more than one (1) employee within the membership of Local 1356T at any one time.
- B. Union representatives shall be granted leaves of absence for short periods to attend Union conventions, negotiation meetings, and similar functions related to performance of their office, and working time lost due to such absence shall count as time worked for holiday pay, vacations, and credited pension service.

- C. Members of the Union Bargaining Committee, or Union Officers, shall be granted time off without pay by the Company for the performance of Union duties related to respective Local Union, whenever necessary. In addition, with two (2) weeks advanced notification and consistent with production requirements, up to two (2) designated union members will be granted time off without pay for attendance at union sponsored summer school not to exceed ten (10) working days per employee each year.

Section 3. Government Offices.

- A. For the purpose of enabling employees to participate in the affairs of the government, the Company shall grant upon application, leaves of absence to employees who are elected to municipal, county, state, or federal government positions, or appointed to full-time positions with the state or federal government. The leave to fulfill such government office shall not exceed six (6) years.
- B. For employees, who are running for office, the Company will grant a leave of absence not to exceed sixty (60) calendar days for the purpose of campaigning for election to municipal, county, state or federal government positions.

Section 4. Armed Forces; Peace Corps.

- A. Leaves of absence shall be granted employees who are drafted or volunteer into the Armed Forces of the United States. Such employees shall be accorded reinstatement rights in accordance with the Selective Service Act, as amended, upon release from service. In the case of veterans with service-connected disability, such leaves may be extended for a period of up to five (5) years after discharge.
- B. In addition, an employee who is accepted for membership in the Peace Corps shall be granted the same privileges and shall be re-employed under the same circumstances as if he had entered the Armed Forces in accordance with subsection A above. This provision shall cover no more than one Peace corps enlistment.

- C. An employee who has completed his probationary period and is attending summer encampment or annual reserve training as an obligation of service in the Armed Forces Reserves required by law, will be reimbursed by the Company for a service period of not more than two (2) weeks in any calendar year and for the amount by which the employee's service pay (not including expense money) is less than his normal company pay, at his straight-time hourly earnings (including shift premium) for the last calendar quarter prior to such absence (plus current COLA and any applicable annual improvement factor). Such makeup pay will be calculated on a five (5)-day workweek basis. To obtain this reimbursement, the employee must submit proper evidence of his military pay for this period. The Company will not require that an employee take vacation when his summer encampment or reserve training falls during a scheduled inventory/vacation shutdown. If the employee does not schedule vacation during such occurrence he will be entitled to make-up pay under this Subsection C, provided that the employee was actively working immediately prior to the inventory/vacation shutdown and would have been actively working during the shutdown period had the shutdown not occurred.
- D. In accordance with the requirements of C above and where an eligible employee is issued orders for temporary emergency duty as a National Guardsman, the Company will provide the make-up pay under the formula stated in C for up to a maximum of ten (10) working days lost in any calendar year. Temporary emergency duty must be at the call of the state or federal government for emergencies, such as fire, flood, storm, civil disorder, and similar catastrophes. Those employees who are called up for flood control duty will be paid up to maximum of thirty (30) days in any calendar year.

Section 5. Maternity Leave.

A leave of absence necessitated by disability due to pregnancy, childbirth, or related medical conditions will be granted to a female employee for the period of time the employee is medically unable to work. Employees on maternity leave will be eligible for the same benefits and terms of employment to which they would be eligible under any other approved leave due to certified medical disability. The employee's physician and the Company's physician will determine the

initial date of disability and the expected date of recovery. The employee shall return to work on the expected date of recovery, except that this leave shall be extended by the Company upon written request of the employee, accompanied by a physician's letter which evidences medical necessity for continuation of the leave. In all cases, such employees will not be returned to work without prior approval of the Company physician.

Section 6. Educational Leave.

- A. For the purpose of enabling an employee who has completed at least one year's service to pursue an educational program toward a college degree, the Company shall grant a leave of absence upon application of the employee. Such leave of absence shall not exceed one (1) year; however, this leave may be extended from year to year (for a maximum of five (5) consecutive years from the commencement date of the initial educational leave of absence) provided application is made prior to the expiration of such leave and the employee has not accepted full-time employment elsewhere. No extension will be granted until the employee shows proof of satisfactory grades. Subject to the same conditions outlined above, upon written request, an employee on educational leave may extend the period during which educational leave is taken to a maximum of six (6) years from the commencement date of the initial educational leave of absence, which shall consist of not more than five (5) total years of leave time and not more than one (1) year of work time which must be taken during one (1) interruption of the educational leave. An employee may terminate his educational leave of absence thirty (30) days after notification to the Company of his intention to terminate the leave. In such cases, another educational leave will not be granted. An employee on educational leave shall be offered suitable summer or temporary employment when available, however, he may not exercise seniority to displace another employee during such periods. The employee hired for summer or temporary employment during such leave period will participate in Company benefits and be granted time off for military summer encampment without make up pay.
- B. For the purpose of enabling an employee who has at least one year's service to pursue an educational program toward a recognized, accredited certificate or associate degree at an accredited trade or technical school in a skill or trade

commonly utilized and employed by the Company, an employee may be granted a leave of absence upon written application. Such leave of absence shall not exceed one (1) year; however, this leave may be extended up to one (1) additional consecutive year provided application is made prior to the expiration of such leave. Other rules as set forth in A above shall be applicable.

Paid absence allowance time off will be prorated according to the following schedule:

<u>HOURS WORKED</u>	<u>PAID ABSENCE HOURS</u>
1280	(160 days or more)
960-1279	(120 days -159 days)
640-959	(80 days -119 days)
up to 640	(up to 80 days)
	32
	24
	15
	8

An employee who has elected to go on educational leave of absence upon returning from leave shall have the right to any open vacancy in a classification not filled per Article IX, Section 8, if any, or to replace the least senior employee in the plant in line with their seniority providing they have the skill & ability and physical fitness to perform the work of the classification.

Section 7. Family and Medical Leave

A. Eligible employees are entitled to up to a total of 12 weeks of unpaid leave during any calendar year. A husband and wife who both work for the Company will each be entitled to a maximum of twelve (12) weeks of qualifying leave. FMLA leave may be taken for any of the following reasons:

1. Birth or adoption of a child, or the placement of a child for foster care;
2. To care for a spouse, child or parent of the employee due to a serious health condition;
3. A serious health condition of the employee.

B. An employee may elect to substitute for unpaid FMLA leave any accrued and unused vacation and/or use personal absence allowance. If an employee elects to substitute paid vacation during the FMLA leave and this results in the employee not having a sufficient amount of vacation during the contractually agreed upon vacation shutdown period, the Company may work the employee or lay them off without SUB for the period affected by the paid vacation substitution. Any period during which an employee receives disability benefits or worker's compensation benefits is treated as "paid leave" for purposes of this Section and counted against the employee's FMLA leave entitlement. If paid leave is substituted, the FMLA leave period is not extended. FMLA leave runs concurrently with any substituted paid leave period.

C. Time on FMLA leave will be considered in the same manner as time on medical leave for S&A purposes when determining hours worked or days worked for calculating certain benefits, including vacation entitlement, GSB or credited service calculations under applicable benefit plans. However, medical leave for worker's compensation, running concurrently with FMLA leave, will be credited for vacation purposes as provided for in Article XII, Section 1C and will also be counted for credited service to the extent provided for in the current Pension Agreement. Time on FMLA leave will not be considered hours worked for purposes of determining eligibility for additional FMLA leave.

D. Seniority will accrue during FMLA leaves subject to the same limitations as provided for seniority accumulation under Article IX and X.

E. Subject to the other eligibility requirements in the Insurance Agreement, the Company will continue medical coverage, life and AD&D during the period of FMLA leaves as if they were medical leaves under the Central Agreement.

F. The employee is required to provide the Company with at least thirty (30) days advance written notice before FMLA leave begins if the need for the leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practicable.

- G. The Company has the right to require medical certification of a need for leave under this Act. In addition, the Company has the right to require a second opinion at the Company's expense. If a medical dispute arises with the second opinion, a third opinion will be obtained under the provisions of Article VII, Section 3G (provided, however, that the Company will pay the cost of the third opinion for FMLA leave medical disputes occurring under this Section), which shall be final and binding. Failure to provide certification shall cause any leave taken to be treated as an unexcused absence.
- H. Employees may request FMLA leave for time periods other than consecutive weeks when medically necessary. Such leaves may also be requested and approved, with the Company's agreement, in the case of the birth, adoption or foster placement of a child. In these circumstances, the Company may assign the employee as though he/she were a member of a GEL pool and/or adjust the employee's schedule to better accommodate the leave request or eliminate the need for using FMLA leave.
- I. The Company may adopt reasonable procedures in accordance with the FMLA, including periodic status reports and recertification of medical conditions while on leave. An employee's failure to follow these procedures or to fulfill his or her other obligations under this Section, including a failure to return to work as scheduled will subject the employee to discipline.
- J. As a condition of returning to work, an employee who has taken leave due to his/her own serious health condition must provide certification that he/she is medically qualified to perform the functions of his/her job.
- K. An employee returning from FMLA leave will be returned to their regular classification, seniority permitting. However, employees on FMLA leave have no greater right to reinstatement to any position than if they had remained on active status.
- L. Employees who choose not to return to employment from leave will have their health insurance terminated and will be required to repay any health insurance premium paid on their behalf during any period of unpaid leave.
- M. The provisions of this Section are in response to the federal FMLA. The Company shall grant an employee any greater benefits provided under any state or local law, provided the employee satisfies all eligibility and other requirements of the applicable state law.
- N. The Union agrees that if a dispute arises under this Section and the Union requests medical information which the Company is required to treat as confidential, the Union will deliver to the Company a valid release from the employee(s) whose records are the subject of the request. If the Union fails to deliver such release, the Company shall have no obligation to provide the requested information.
- O. The Company and the Union recognize that the Department of Labor has just issued final regulations regarding the FMLA. The Company reserves the right to make changes in its compliance plans to reflect final regulations and/or subsequent court decisions and the gaining of additional administrative experience, but without reducing leaves provided by the Agreement.
- P. Problems related to the implementation of this Section may be discussed by representatives of the UAW - Case - Corporate Labor Relations.

ARTICLE XI **HOURS OF WORK AND OVERTIME**

Section 1. The Workweek.

- A. Except for those employees covered by B and C of this Section, the workweek shall begin at 12:01 a.m. Monday and shall consist of seven (7) consecutive 24-hour periods.
- B. The workweek of employees scheduled to begin their workweek on or after 10:30 p.m. Sunday shall consist of seven (7) consecutive 24-hour periods beginning with their regular starting time on Sunday.
- C. The workweek for employees on continuous operations shall consist of seven (7) consecutive 24-hour periods.

Section 2. The Workday.

- A. The workday shall be the consecutive 24-hour period coinciding with the calendar day; provided, however when an employee's shift extends over into the next calendar day, all hours worked on that shift shall be deemed to have been worked on the calendar day on which such shift began (except for those employees covered by B hereof).
- B. The workday of employees scheduled to begin their workweek on or after 10:30 p.m. Sunday shall be the consecutive 24-hour period beginning with their regularly scheduled starting time and in the case of any such employee, where there is a conflict between the calendar day and his workday, the workday shall prevail.

Section 3. Shift Schedules.

- A. When one shift is needed, the hours normally shall be from 7:00 a.m. to 3:30 p.m., with a half hour designated meal period.
- B. When two shifts are needed, the hours normally shall be as follows: from 7:00 a.m. to 3:30 p.m. for the first shift with a half hour designated meal period; and from 3:30 p.m. to 12:00 Midnight for the second shift with a half hour designated meal period.
- C. (1) When three shifts are needed, the hours normally shall be as follows: from 7:00 a.m. to 3:30 p.m. for the first shift with a half hour designated meal period; from 3:00 p.m. to 11:30 p.m. for the second shift with a half hour designated meal period; and from 10:30 p.m. to 7:00 a.m. for the third shift with a half hour designated meal period.
(2) Notwithstanding the three (3) shift schedule set forth in C (1) above, the Company reserves the right to schedule employee(s) in a classification or department to work three (3) eight (8) hour shifts in a work day. When employees are so scheduled, such employees shall receive an 18-minute lunch period, and be paid for eight (8) hours.

- D. The work schedule for certain employees, because of the nature of their duties, may deviate from the above normal shift schedule. In such cases, the Company will offer this work opportunity to the employees in the classification and department on the affected shift in seniority order subject to the Company's need to satisfy its work requirements on an immediate skill basis as noted above.
- E. Should it become necessary in the interest of efficiency or during emergency periods to establish schedules departing from the normal shift schedules, the Company will notify the Union in writing and will discuss such changes with the bargaining committee before the change is made.

Section 4. Overtime

- A. When an employee is scheduled or required to perform work on an overtime basis as described in Section 5 the employee will receive overtime or premium pay compensation in accordance with Section 5 of this Article XI.
- B. Work which would otherwise be compensable overtime if it was scheduled or required shall not be considered overtime, and the employee will not be compensated, if the work was not scheduled or required; provided however, that if an emergency situation should arise, the overtime need not have been previously scheduled as long as the overtime work has been authorized by a management representative.

Section 5. Overtime and Premium Payments

When overtime work is scheduled in accordance with Section 4 above, the employee will receive overtime or premium pay compensation as follows:

- A. Time and one-half will be paid for all time worked:
 - (1) Over eight (8) hours in any one workday.
 - (2) Over forty (40) hours in any one workweek.
 - (3) On the sixth (6th) consecutive workday of his workweek.

(4) Overtime or premium payments under this section 5 will not apply if employees are placed on an alternate work schedule (e.g., 4-10 or 3-12 schedule). In such cases, overtime or premium payments will be paid in accordance with the rules governing that alternative work schedule.

B. Double time will be paid for work performed on Sunday except in cases of:

- (1) an employee scheduled to begin his workweek on or after 10:30 p.m. Sunday night
- (2) an employee on continuous operation who will be paid double-time for all time worked by him on the seventh (7th) consecutive workday of his workweek.

C. Employees working on seven-day continuous operations will be paid time and one quarter for work performed on Sunday.

Section 6. Shift Changes.

During any one workweek in which an employee is scheduled by the Company to work on another shift and such transfer was not requested by the employee, said employee will receive time and one-half for work performed within the 24-hour period commencing with the starting time of the shift from which he was transferred. If the employee requests such transfer, he will not receive any overtime even though he worked more than eight (8) hours during said 24-hour period. Shift changes will normally take place at the beginning of a workweek, in which event there will be no overtime paid due to the shift change.

Section 7. No Pyramiding.

The payment of overtime for any hour excludes that hour from consideration for overtime payments on any other basis.

Section 8. Overtime Distribution.

A. The work, functions, duties and responsibilities covered by this Agreement are varied and distinct, and may be so even within the same classification. The primary method of overtime assignment will be to the employee who was working on, or assigned to, the task or project prior to the scheduling of

overtime. Such employee shall be referred to as the incumbent.

B. Overtime assignments to, or for, incumbent employees will normally be handled in the following manner.

- 1) In all cases the hours of general or classified overtime worked or scheduled in any classification or department on a shift by an employee shall be determined by the Company.
- 2) The weekly schedule of overtime shall be posted before the end of the shift on the Friday immediately before the week in which the overtime will be worked.
- 3) This weekly schedule will be prepared from:
 - a) the individual overtime request forms (provided by the Company) submitted by an employee no later than 3:00p.m. on Wednesday prior to the week being scheduled; this form will, on a daily basis, indicate the number of overtime hours (general and classified) and the reason (e.g., project, task, timing, etc.); and
 - b) the Company's overtime needs in that area; and
 - c) discussions between the employee and manager.
- 4) The Company may accept, reject or modify the overtime hours or schedule recommended on the individual overtime request form.
 - a) If two or more employees indicate on their weekly overtime request forms that they want to perform the same general overtime work the following week, the Company will resolve the issue by selecting one of the following options:
 1. grant the overtime request for that general overtime for the employees involved; or
 2. divide the general overtime work at issue equally among the employees involved; or

- 3. discuss the matter with the employees involved in an attempt to resolve the issue; or
 - 4. offer other general overtime to the employees involved; or
 - 5. deny the requests for the employees involved.
- 5) Employees must work the overtime hours as set forth in the weekly schedule. However, an employee who has been scheduled for a particular overtime assignment may be relieved of such assignment if:
- a) the employee notifies the supervisor of the inability to work the overtime assignment at least 24 hours prior to the start of the shift on which the overtime will be worked; and
 - b) the employee is excused by the employee's supervisor.
- In making its determination, the company will consider such factors as nature of the work, timing of the project, availability of a substitute who is qualified (as defined in paragraph E) and the employee's record.
- C. Except as is expressly provided below in paragraphs F, G, I and J, the Company shall not be required to schedule any employee other than the incumbent to perform overtime work. However, the company may assign a non-incumbent employee to perform overtime work when it deems it necessary.
- D. The following definitions will be used to differentiate between the kinds of work that may be done on an overtime basis within a classification:
- 1) "Classified overtime work" shall be defined as all other work which is not general overtime work.
 - 2) "General overtime work" shall be defined as that routine, ministerial work common to that classification which all employees in that classification can perform with no training, instruction or orientation.
- E. Under no circumstances will the Company be required to schedule or assign any employee to perform any work on an overtime basis unless the Company has determined that such work is necessary and the employee is qualified (i.e., the employee can immediately perform any and all of the job duties without compromising work performance or efficiency).
- F. In the event that the Company is unable to satisfy its overtime needs through the weekly overtime schedule (due to emergency, absence or changed circumstance), the Company may decide to:
- 1) not schedule overtime work at that time; or
 - 2) Ask or compel employee(s) to work such overtime in accordance with paragraphs G, H, I or J below.
- G. If an overtime need involves classified work which cannot be completed by an incumbent(s) and there is a qualified non-incumbent employee (as defined in paragraph E), the Company may assign that employee to perform the overtime work, even if the Company must remove the non-incumbent employee from an overtime assignment already approved. If there are more than one qualified non-incumbent employee(s), the Company will make its assignment based on factors such as the employees' overtime schedules that week and projects being worked on by those employees on an overtime basis.
- H. When the Company is unable to satisfy its overtime needs through the weekly overtime schedule and multiple incumbents are involved, incumbents will be asked or compelled starting with the employee who had the fewest overtime hours on the weekly overtime schedule in that classification and department on that shift and ending with the employee with the most overtime hours on the weekly overtime schedule. If any two or more employees have the same number of hours on the weekly overtime schedule, the Company will ask the more senior employee first and, if necessary, will first compel the least senior employee (e.g. "ask down-force up").
- I. When the Company is unable to satisfy its general overtime work needs through the weekly overtime schedule and no incumbents are involved, all employees on that shift in the classification and department to which the general overtime

work applies will be asked or compelled starting with the employee who had the fewest overtime hours on the weekly overtime schedule in that classification and department on that shift and ending with the employee with the most overtime hours on the weekly overtime schedule. If any two or more employees have the same number of hours on the weekly overtime schedule, the Company will ask the more senior employee first and, if necessary, will first compel the least senior employee (e.g. "ask down-force up").

- J. When the above procedure results in employees being required to work such overtime, employees will not be compelled to work such daily overtime unless they are notified before the end of the shift on the day prior to the date the overtime is scheduled. All hours in excess of nine (9) hours in any workday shall be voluntary provided the employee notifies the supervisor (on a form provided by the Company) at the time the overtime is scheduled.

Employees will not be compelled to work Saturday unless they are notified at least four (4) hours prior to the end of their regular shift on Thursday. No employee will be required to work more than eight (8) hours on a Saturday. An employee scheduled to work on Saturday may decline every other Saturday provided the employee notifies the supervisor (on a form provided by the Company) at the time the Saturday overtime schedule is announced. Employees will not be compelled to work overtime on Sundays, Holidays, Saturdays of Holiday weekends or a weekend preceding an employee's scheduled vacation or during his vacation, or a Saturday if the employee had scheduled an approved PAA or ABD the Friday before the Saturday in question. The last two sentences do not apply to employees on continuous operations.

- K. If an employee is improperly denied an overtime opportunity the Company shall have fifteen days from the date the improper denial is brought to the Company's attention to correct the lost opportunity. If the Company does not offer an overtime opportunity to the employee within that fifteen-day period of time, the employee will be compensated for the lost overtime opportunity.

Section 9. Report-in and Call-back.

- A. An employee who reports for work when he has not been notified in advance that there is no work available shall be paid for not less than four (4) hours at his regular rate, provided he is not assigned to other work. Those employees so reporting and placed on other work shall be paid in accordance with the temporary transfer provision. This clause does not apply when work is not available due to an occurrence beyond the Company's control, such as fire, flood, or other weather conditions, explosion, power failure, or work stoppage in violation of ARTICLE V.
- B. Any employee called back to work after having completed his work assignment for the day or outside of his regularly scheduled hours for the week shall be paid a sum not less than four (4) times his straight time rate. Such part of the four (4) hours worked shall be paid at the appropriate overtime rate and the unworked time shall be paid at straight time.

Section 10. Holiday Pay.

- A. The following Holidays or the days on which they are celebrated pursuant to law or decree, shall be considered holidays:

1998-1999		
Friday	April 10	Good Friday
Monday	May 25	Memorial Day
Friday	July 3	Day Celebrated as Independence Day
Monday	September 7	Labor Day
Thursday	November 26	Thanksgiving Day
Friday	November 27	Day After Thanksgiving
Thursday	December 24	Christmas Eve
Friday	December 25	Christmas Day
Monday	December 28	Christmas Shutdown
Tuesday	December 29	
Wednesday	December 30	
Thursday	December 31	New Year's Eve
Friday	January 1	New Year's Day
Monday	January 18	Martin Luther King Day

<u>1999-2000</u>			Monday	December 31	New Year's Eve
Friday	April 2	Good Friday	Tuesday	January 1	New Year's Day
Monday	May 31	Memorial Day	Monday	January 21	Martin Luther King Day
Monday	July 5	Day Celebrated As Independence Day	<u>2002-2003</u>		
Monday	September 6	Labor Day	Friday	March 29	Good Friday
Thursday	November 25	Thanksgiving Day	Monday	May 27	Memorial Day
Friday	November 26	Day After Thanksgiving	Thursday	July 4	Independence Day
Friday	December 24	Christmas Eve	Friday	July 5	Day After Independence Day
Monday	December 27	Day Celebrated As Christmas Day	Monday	September 2	Labor Day
Tuesday	December 28	Christmas Shutdown	Thursday	November 28	Thanksgiving Day
Wednesday	December 29		Friday	November 29	Day After Thanksgiving Day
Thursday	December 30		Monday	December 23	Christmas Shutdown
Friday	December 31	New Year's Eve	Tuesday	December 24	Christmas Eve
Monday	January 17	Martin Luther King Day	Wednesday	December 25	Christmas Day
<u>2000-2001</u>			Thursday	December 26	Christmas Shutdown
Friday	April 21	Good Friday	Friday	December 27	
Monday	May 29	Memorial Day	Monday	December 30	
Monday	July 3	Day Before Independence Day	Tuesday	December 31	New Year's Eve
Tuesday	July 4	Independence Day	Wednesday	January 1	New Year's Day
Monday	September 4	Labor Day	Monday	January 20	Martin Luther King Day
Thursday	November 23	Thanksgiving Day	<u>2003-2004</u>		
Friday	November 24	Day After Thanksgiving	Friday	April 18	Good Friday
Monday	December 25	Christmas Day	Monday	May 26	Memorial Day
Tuesday	December 26	Day Celebrated As Christmas Eve	Friday	July 4	Independence Day
Wednesday	December 27	Christmas Shutdown	Monday	September 1	Labor Day
Thursday	December 28		Thursday	November 27	Thanksgiving Day
Friday	December 29		Friday	November 28	Day After Thanksgiving Day
Monday	January 1	New Year's Day	Wednesday	December 24	Christmas Eve
Tuesday	January 2	Day Celebrated As New Year's Eve	Thursday	December 25	Christmas Day
Monday	January 15	Martin Luther King Day	Friday	December 26	Christmas Shutdown
<u>2001-2002</u>			Monday	December 29	
Friday	April 13	Good Friday	Tuesday	December 30	
Monday	May 28	Memorial Day	Wednesday	December 31	New Year's Eve
Wednesday	July 4	Independence Day	Thursday	January 1	New Year's Day
Monday	September 3	Labor Day	Friday	January 2	Day After New Year's Day
Thursday	November 22	Thanksgiving Day	Monday	January 19	Martin Luther King Day
Friday	November 23	Day After Thanksgiving	<u>2004</u>		
Monday	December 24	Christmas Eve	Friday	April 9	Good Friday
Tuesday	December 25	Christmas Day			
Wednesday	December 26	Christmas Shutdown			
Thursday	December 27				
Friday	December 28				

- B. Any one of said holidays will be paid for irrespective of the day of the week on which the holiday falls. Except as provided in paragraph E below, pay for such holidays shall be on the basis of eight (8) hours at the employee's average straight-time hourly earnings for the week preceding the week in which the holiday falls. (Any applicable general wage increase is to be included in the calculation for the July 4 holiday pay.) Pay for grievance time as provided in Article VI, Section 4, shall not be included in the computation of holiday pay. The day before New Year's Day, New Year's Day, Christmas Day, and the three other days of the Christmas-New Year's shutdown earnings shall be the same as those used for the day before Christmas Day. To qualify for holiday pay, the employee must have:
- (1) Completed his probationary period.
 - (2) Worked on his last regular workday before and his next regular workday after the holiday, except as provided otherwise in C, D, and E below.
- C. Absence due to a death in the immediate family to include: spouse, child, parent, step-parent, brother, sister, half brother, half sister, son-in-law, daughter-in-law, current spouse's parent, current spouse's grandparent, brother-in-law, sister-in-law, grandchild, adopted child, stepchild, grandparent, and birth of a child in the immediate family.
- D. An employee will be entitled to holiday pay if he is absent the day before the holiday for one of the reasons set forth below, provided he does work in the workweek in which the holiday falls or during the workweek immediately prior thereto and returns to work as soon as possible:
- (1) Laid off due to a reduction in the work force.
 - (2) Absence due to an established illness or injury.
 - (3) Entrance into the military service.
 - (4) Jury duty.
 - (5) One of the casual days provided for in Article XII, Section 6.
 - (6) Absence authorized in writing by the Company.

E. An employee who is laid off in the first, second, third, or fourth workweek prior to the week in which the Christmas Holiday Period begins, shall, if otherwise eligible, receive pay for each of the holidays in the Christmas Holiday Period, providing such employee worked in the week in which the layoff occurs.

An employee who works in the fifth, sixth, or seventh workweek prior to the week in which the Christmas Holiday period begins, and who is laid off during that week, shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas Holiday Period, providing such employee worked in the week in which the layoff occurs.

An employee who is laid off, on qualifying exception weeks pursuant to II (5) of the C.A.S.E. Program, on consecutive workweeks immediately prior to the week in which the Christmas Holiday period begins and who remains on layoff for such reason shall, if otherwise eligible, receive pay for each of the Holidays in the Christmas Holiday Period, providing such employee worked in the week in which the layoff occurs.

F. In the event the company schedules a plantwide vacation shutdown during a holiday week, an employee absent on vacation during such week will have the option of receiving holiday pay if otherwise qualified or an additional PAA day. If the employee elects an additional PAA day it must be taken during the PAA scheduling year.

G. When work is performed on a holiday, the employee will be paid double time for the hours worked plus his holiday pay if otherwise qualified.

H. In the event the Company schedules an employee's vacation during a week in which a holiday falls, the employee will receive an additional day off with pay.

ARTICLE XII

VACATIONS

Section 1. Vacation Time Off and Pay.

A. Employees who have at least one (1) year of seniority and who have worked a minimum of eighty (80) days during the year prior to June 1, will be eligible for a vacation with pay. Employees entitled to full vacation will receive vacations with pay on the following basis:

Years of Service As of June 1	Weeks of Vacation
1	1
5	1 1/2
7	2
15	2 1/2
20	3
25	3 1/2
30	4

B. Vacation pay will be computed for the 40, 60, 80, 100, 120, 140 or 160 hours, whichever applies, as follows:

160 or more days worked*	full vacation pay
120 through 159 days worked*	75% vacation pay
80 through 119 days worked*	50% vacation pay

Five, seven, fifteen, twenty, twenty-five, and thirty-year employees under Section 1-A of this article who qualify for only 50% vacation pay will be allowed 4, 5, 7, 8, 9, or 10 days vacation time off, respectively.

Days lost from work due to an industrial injury for which Worker's Compensation Benefits have been paid will be considered as days worked for vacation eligibility as follows:

- (1) Must have performed work in the vacation year.
- (2) Must meet all other eligibility requirements for vacation as stated in this section.

(3) Credit will be given for such lost-time days up to a maximum of five (5) in any one work week, provided these would have been days the employee would have normally been scheduled to work.

- * Days worked during the year preceding June 1. Paid vacation days, holidays and PAA for which pay was received will be considered as days worked.
- C. Vacation pay shall be computed on the basis of an employee's average straight time hourly earnings (excluding overtime and shift premium) during the first three (3) months of the calendar year in which his vacation falls. Pay for grievance time as provided in Article VI, Section 4, shall not be included in the computation of vacation pay.
- D. Employees otherwise eligible for vacation pay who have no earnings during this period shall have their vacation pay computed on their average straight-time hourly earnings for the period between April 1 and June 1. Employees otherwise eligible for vacation pay who have no earnings after January 1 shall have their vacation pay computed on their average straight-time hourly earnings during the last two (2) weeks of their employment. Two (2) weeks will be the minimum amount of time used in the computation of an employee's straight-time hourly earnings.
- E. An employee who is reemployed following completion of service in the Armed Forces of the USA will be eligible for vacation during that vacation year as provided in Section 1. Military service will be construed as days worked to meet the eligibility requirements of Section 1-B, provided the employee has worked some part of that vacation year with the Company.

Section 2. Vacation Assignments.

- A. Vacation assignments shall be made by the Company in a manner which will insure the orderly and efficient continuation of production, but the Company agrees to give, whenever possible, the desired vacation time indicated by the employees on the basis of their seniority. An employee entitled to four (4) weeks of vacation may receive one (1) week of vacation pay in lieu of time off for the fourth week. If he prefers time off for said fourth week, the Company will schedule such time and if possible will assign him the week which he prefers.

- B. Except as provided in A above and in cases of pensioners who are entitled to vacation pay, an employee must actually take his vacation in order to receive his vacation pay. All vacation assignments by the Company shall be made within the vacation year period of June 1 through May 31.

Section 3. Terminated and Deceased Employees.

- A. Employees who retire under the pension plan who have worked 160 days or more pursuant to this Article XII, Section 1-C, are eligible for full vacation even though their retirement date occurs prior to June 1. Those employees who retire under the pension plan who do not meet the 160 days worked requirements shall receive pro rata vacation pay based on the number of months worked since the previous June 1.
- B. 1. An employee whose seniority is terminated and who upon termination had five (5) or more years of service with the Company who is eligible for vacation under Section 1 of this Article, and has worked at least 160 days during the vacation year, shall be eligible for prorated portion of his vacation pay, based on the number of months worked since the previous June 1, and the remaining Paid Absence Allowance hours balance for which he is eligible under these plans.
2. Other employees whose seniority is terminated will be eligible for the remaining Attendance Bonus hours balance and the remaining Paid Absence Allowance hours balance for which they are eligible under these plans, unless such termination is under Article IX, Section 4, (2) or (3).
- C. If an employee otherwise eligible dies before his vacation, or paid absence allowance days are taken, his vacation, including any applicable vacation bonus, and remaining paid absence allowance hours balance shall be paid to the surviving spouse, children or parents, in that order of precedence. Notification of the above will be provided to the Union.

Section 4. Employees Transferred into the Bargaining Unit.

Employees of the Company, not in the bargaining unit, transferred into the bargaining unit shall receive service credit for vacations for unbroken employment service they had accumulated prior to being transferred into the bargaining unit.

Section 5. Scheduled Plant Shutdown for Vacations.

A plant shutdown for vacations will not commence before June 1 and it will not extend beyond the end of the last week in August which is one full calendar week before Labor Day, unless there are important business reasons for extending the vacations to the end of August in which event such extension will be discussed with the Union. The Company will post the vacation notice by the first of April each year. The Company may not change a vacation notice after June 1, except by mutual agreement.

In the event that any portion of an inventory/vacation shutdown period is scheduled during the month of June, the schedule will be posted and fixed thirty (30) days prior to the start of the week(s) scheduled.

In addition, employees who have not been scheduled to work such shutdown may not be required to work due to schedule changes past the fourteenth (14) calendar day preceding the beginning of the shutdown week involved. Employees who worked in the classification and were scheduled to work but left the classification for any reason may still be required to work the shutdown period.

Section 6. Paid Absence Allowance.

- A. An employee with at least one (1) year of seniority as of July 1, each year will be granted up to thirty-two (32) hours of absence between July 1 and the subsequent June 30. The foregoing absences must be requested at least three (3) working days in advance. Pay for such absence will be made at the employee's regular straight-time rate (excluding shift premium) then in effect (plus any applicable improvement factors) for days on which he would otherwise be scheduled to work. Such absences shall be taken in individual increments of not less than four (4) hours.

- B. An employee absent from work because of illness, which except for the waiting period would entitle him to weekly disability benefits, may elect to have one or more full days of such absence treated as eight (8) hours of absence under this provision.
- C. An employee who is absent from work on a scheduled work day without the proper notification defined in paragraph A of this section may request pay for such absence which will be granted if and to the extent he is eligible for such pay. The granting of such pay will in no way imply that his absence was or was not for a reasonable or satisfactory reason, nor will it imply any waiver of the employee's obligation to make a reasonable and satisfactory effort to have notified the Company prior to such absence.
- D. At the employee's option the Company will pay for the unused Paid Absence Allowance as follows:
 - (1) At the end of the last pay period in March, hours over twenty-four (24).
 - (2) At the end of the last pay period in April, hours over sixteen (16).
 - (3) At the end of the last pay period in May, hours over eight (8).
 - (4) At the end of the last pay period in June, the remaining hours, if any.
- E. During the vacation season an employee eligible for one or more weeks of vacation may take up to his maximum eligibility in individual days upon making advance request of thirty (30) days prior to said vacation.

Section 7. Vacation Bonus.

An employee who is eligible for vacation as stated in Article XII, Section 1 B, C, D, E, and F will receive a vacation bonus of \$135.00 (minus required withholding and social security deductions). \$100.00 (minus required withholding and social security deductions) of the vacation bonus will be paid at the time the employee receives his

vacation check, and \$35.00 (minus required withholding and social security deductions) will be paid on the regular pay day immediately preceding the Christmas shutdown as stated in Article XI, Section 1 OA. To receive the \$100.00 payment at vacation and the \$35.00 payment at the Christmas shutdown, an employee must be on the seniority list on the scheduled payment dates.

Employees who retire under the Pension Plan after June 1 who are eligible for vacation as provided in Section 3 of this Article, will receive the related Vacation Bonus Payment of \$135.00 (minus required withholding and social security deductions) at the time the vacation payment is made to the retiree.

ARTICLE XIII WAGES

Section 1. General Principles.

The parties agree and they subscribe to the principle of "a fair day's work for a fair day's pay" and recognize that restricting performance is not consistent with such a principle.

Section 2. Schedule of Rates.

Attached to this Agreement is a schedule of rates.

Section 3. Application of Schedule.

- A. Newly hired employees shall be paid at the starting rate of the classification to which they are assigned as noted in the schedule attached to this Agreement.
- B. Employees shall be paid for time worked in a classification at the rate for that classification, except as specifically provided otherwise in this Agreement.
- C. When the Company temporarily assigns an employee to a classification other than his regular classification his earnings will be based on the temporary transfer provisions of this Agreement.

Section 4. New or Changed Classifications.

- A. When significant changes occur in the job content of any classification or any additional classifications are necessary in the wage schedule of this Agreement, the classifications shall be rated or rerated, as the case may be, to conform with similar classification rates in these schedules. Notices of such changes shall be given to the Union when they are made effective.
- B. Grievances regarding the rating or rerating of classifications may be handled in accordance with the grievance procedure. In the event a grievance arises, all of the known facts shall be made available to the parties dealing with the grievance.

Section 5. Wage Schedules and Coverage.

- A. The rates set forth in Schedule F represent the normal schedule steps only. Nothing in this Schedule F or the contract shall be interpreted or applied to prevent or restrict the Company, in its discretion, from hiring an employee at any rate on the schedule (or at a rate between steps); or from accelerating an employee through the schedule rates (or to any rate between the steps); or from granting additional pay increases to an employee who has completed the schedule.
- B. Employees will be transitioned to the new wage schedule (Schedule F) in the following manner:

It is understood that in bringing those individuals who are behind their schedule rate given their service will be brought up to their appropriate schedule rate in the following manner. Effective upon settlement of the 1998 Collective Bargaining Agreement, those individuals whose current rate does not match any schedule rate will be brought up to the closest schedule rate above their current rate. If the individual is still below his/her appropriate schedule rate given his/her service, he or she will be progressed two schedule rates or up to his/her appropriate schedule rate whichever is lower upon settlement of the Collective Bargaining Agreement. If the individual is still below his/her appropriate schedule rate, effective on his/her anniversary of his/her credited service date, he/she will be progressed two schedule rates or up to his/her appropriate schedule rate whichever is lower. If the

individual is still below his/her appropriate schedule rate each year thereafter on the anniversary of his/her credited service date, he/she will be progressed two schedule rates or up to his/her appropriate schedule rate whichever is lower. Once an individual catches up to his/her appropriate schedule rate, he/she will progress through the wage table one schedule rate at a time on the anniversary of his/her credited service date. Nothing in this agreement will prevent the Company from hiring in an engineer at a rate schedule above the entry/start rate and progressing such engineer through the rate schedule from that point each year.

- C. Progression time periods are personal to each employee. "Entry/Start" and step periods refer to an employee's hire date or the effective date of contract, whichever is later.
- D. Employees will be slotted in the Engineer I D or Engineer II D Grades if they have satisfactorily completed a course of study and have received at least a four year bachelor's degree in their engineering discipline.
- E. Employees will be able to move into an Engineer II position only if such position is posted as an unfilled vacancy.
- F. When an employee moves from his recallable classification to another classification, except as provided for in ARTICLE IX, Section 14, covering temporary transfers, the following rules on adjustment of an employee's hourly wage rate shall apply:
 - 1. When an employee enters a new job or returns to a classification he previously held he shall receive the then current appropriate hourly rate for that classification as provided for in this Section, including any general Wage increases.
 - 2. When an employee is promoted in accordance with ARTICLE IX, Section 8, the employee, upon commencing work in the new classification, will be paid at the step rate which is equal to the step rate the employee was at in the previously held classification from which he was promoted.
 - 3. When an employee moves laterally in accordance with ARTICLE IX, Section 8, the employee shall retain his same rate of pay.

4. When an employee is reduced from his current classification and enters a different classification in accordance with ARTICLE IX, Sections 5 or 6, or is allowed to make a downward move in accordance with ARTICLE IX, Section 8, the employee will receive, upon commencing work in the new classification, the wage rate at the step rate level for the new classification which is the same as the step rate level the employee was at in the previously held classification at the time of the reduction in force or downward move.
5. When an employee exercises an option to follow his work in accordance with ARTICLE IX, Section 7 B, the employee will maintain his existing wage.

Section 6. Shift Premium.

- A. Employees regularly working on the second shift shall receive a premium of thirty cents (30 cents) per hour and forty-five cents (45 cents) per hour for the third shift for each hour worked.
- B. For the purposes of this Section, second shift shall be any shift regularly starting from 12:00 Noon up until 7:00 p.m., the third shift shall be any shift regularly starting from 7:00 p.m. up until 1:00 a.m.

Section 7. Pay Day.

Under normal situations, wages shall be paid prior to the noon lunch break on Friday of each week for the first and third shifts and on Thursday of each week for the second shift, except where pay for the second shift is not available by reason of mechanical limitations or difficulties experienced in the existing payroll system. In cases where the plant is not operating because of a holiday or reduction of operations, payday will be the last scheduled day of the week. New hires shall be paid via electronic deposit. Paychecks shall be deposited on Friday.

Section 8. Cost of Living.

Each employee covered by this Contract shall receive a cost-of-living allowance as set forth in this Section.

Except as otherwise provided in paragraph (d) herein, the cost-of-living allowance (presently accumulated and future increases) shall not be added to the wage rate for any classification, but only to each employee's straight-time hourly earnings.

The cost-of-living allowance shall be taken into account in computing overtime premium, vacation pay, bereavement pay, holiday pay, jury pay, paid absence allowance and military encampment, unless otherwise provided in this Agreement.

The amount of cost-of-living allowance shall be determined and redetermined as provided below on the basis of the Consumers Price Index for Urban Wage Earners and Clerical Workers (including Single Workers) (CPI-W) published by the Bureau of Labor Statistics, United States Department of Labor (1967 = 100 revised) and referred to herein as the "Index". Continuance of the cost-of-living allowance shall be contingent upon the availability of the Index in its present form and calculated on the same basis as the Index for March 1998, unless otherwise agreed upon by the parties. Beginning with the Price Index for January 1987, the CPI-W was revised to reflect the updated expenditure weights based on data from 1982-1984 Consumer Expenditure Surveys and minor changes in the updating of the market basket. In the event of any other changes in the Index during the term of the Agreement, the parties will determine the appropriate index to use.

(a) Effective Dates of Adjustment

The cost-of-living allowance amount in effect until June 1, 1998 will be three dollars and sixteen cents (\$3.16) per hour. Thereafter, cost-of-living adjustments shall be made on a quarterly basis, starting with the first pay period beginning on or after June 1, 1998 and at three calendar month intervals thereafter including December, 2003.

(b) Base Adjustment Amounts

The Comparison Price Index means the Price Index for February, March, and April (averaged) next preceding the June adjustment date; for May, June, and July (averaged) next

preceding the September adjustment date; for August, September and October (averaged) next preceding the December adjustment date; for November, December, and January (averaged) next preceding the March adjustment date.

The Adjustment Amount will be established by calculating the average for the appropriate three-month period and then utilizing the following Comparison Price Index table to determine the total amount of COLA then due on the adjustment date.

Comparison Price Index	Adjustment Amount
470.3	- 470.5
470.6	- 470.7
470.8	- 471.0
471.1	- 471.3
471.4	- 471.5
471.6	- 471.8
471.9	- 472.0
472.1	- 472.3
472.4	- 472.6
472.7	- 472.8
472.9	- 473.1
473.2	- 473.3
473.4	- 473.6
473.7	- 473.9
474.0	- 474.1
474.2	- 474.4
474.5	- 474.6
474.7	- 474.9
475.0	- 475.2
475.3	- 475.4
475.5	- 475.7
475.8	- 475.9
476.0	- 476.2
476.3	- 476.5
476.6	- 476.7
476.8	- 477.0
477.1	- 477.2
477.3	- 477.5
477.6	- 477.8
477.9	- 478.0

478.1	- 478.3
478.4	- 478.5
478.6	- 478.8
478.9	- 479.1
479.2	- 479.3
479.4	- 479.6
479.7	- 479.8
479.9	- 480.1
480.2	- 480.4
480.5	- 480.6
480.7	- 480.9
481.0	- 481.1
481.2	- 481.4
481.5	- 481.7
481.8	- 481.9
482.0	- 482.2
482.3	- 482.4
482.5	- 482.7
482.8	- 483.0
483.1	- 483.2
483.3	- 483.5
483.6	- 483.7
483.8	- 484.0
484.1	- 484.3
484.4	- 484.5
484.6	- 484.8
484.9	- 485.0
485.1	- 485.3
485.4	- 485.6
485.7	- 485.8
485.9	- 486.1
486.2	- 486.3
486.4	- 486.6
486.7	- 486.9
487.0	- 487.1
487.2	- 487.4
487.5	- 487.6
487.7	- 487.9

And so forth with 1¢ adjustment for each .26 change in the average index for the appropriate three months as indicated. The sequence of five changes, 0.3, 0.2, 0.3, 0.2, and 0.3, and being repeated in the table produces an average adjustment over time of 1¢ for each 0.26 change in the index.

In no event will a decline in the three-month average BLS Consumer Price Index below 470.3 provide the basis for a further reduction in wages.

In the event the Bureau of Labor Statistics shall not issue the appropriate Index on or before the beginning of one of the pay periods referred to in this Section, any adjustment in the allowance required by such Index shall be in effect at the beginning of the first pay period after receipt of such Index.

No adjustment, retroactive or otherwise, shall be made in the amount of the Cost-of-Living allowance due to any revision which later may be made in the published figures for the Index for any month on the basis of which the allowance shall have been determined.

- (c) During the term of this Agreement, the current COLA allowance of three dollars and sixteen cents (\$3.05) and any COLA accumulated under this Agreement will continue to be paid as an additive to the wage rate schedule and the Red Circle Pay Level (no fold-in) and will not be considered when calculating SHP incentive earnings or the Red Circle Pay Level. For all benefit calculation purposes, three dollars and eleven cents (\$3.00) of the current COLA allowance of three dollars and sixteen cents (\$3.05) accumulated under the 1990-95 Agreement and the 1995-1998 Agreement, will be included as part of the wage schedule.
- (d) The first four cents (4¢) from each of the twenty-three (23) quarterly COLA adjustments generated under this Agreement, shall be permanently deducted and diverted. If the adjustment amount due for a specific adjustment date is zero (\$0.00) cents per hour or less, no such permanent deduction will apply. If the adjustment amount for a specific adjustment date is less than the prescribed diversion amount of four cents (4¢) the diversion amount will be equal to the adjustment amount otherwise due.
- (e) For purposes of calculating COLA under the paragraph (b) payment table, the appropriate amount of diversions diverted under (d) above will be deducted from the amount otherwise payable in accordance with the table.

ARTICLE XIV GENERAL PROVISIONS

Section 1. Non-Unit Employees.

Non-Unit employees and personnel shall not perform work normally and historically performed solely by Bargaining Unit employees provided that this provision shall not be construed to prevent non-unit employees from performing work under the following circumstances:

- a. prototype work; and/or
- b. training employees; and/or
- c. conditions beyond the Company's reasonable control; and/or
- d. work which is negligible in amount.

Work which is incidental to the duties of non-unit employees or personnel on functions normally performed by such non-unit employees, even though similar duties are performed by Bargaining Unit employees, shall not be affected by this provision.

For purposes of this Section 1, the Bargaining Unit shall be defined as, and limited to, 1356T.

Section 2. Bulletin Boards.

The Company will maintain the bulletin boards now provided for the Union and which may be used by the Union for the posting of Union business notices. The Company will continue to provide literature racks under the arrangements presently in effect.

Section 3. Safety and Health.

- A. The Company is committed to protect the health and safety of all of its employees, and shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment. Management has assigned responsibility for carrying out the various aspects of the health and safety program and the Union will actively participate and cooperate with management in the program's implementation.

B. Central Safety Committee

The Company and the Union will establish a Central Safety Committee consisting of two representatives from the International Union to be appointed by the Director of the Union's Agricultural Implement Department and two representatives of the Company to be appointed by the Company. Each party will appoint at least one member of its Committee who has professional training in Safety and Industrial Hygiene.

The functions of this Committee will be to:

- meet semi-annually at a time and place mutually agreeable to the parties;
- review the Company's Safety and Health Program and make necessary and desirable recommendations;
- establish a system to encourage and recognize the professional development of Joint Local Health and Safety Committee/Team members;
- provide to the Joint Local Health and Safety Committees/Team, at no cost to them, health and safety training twice annually; the topic and timing to be determined by the Co-Chairs of the Central Safety Committee. The Central Committee will insure that Joint Local Health and Safety Committee/Team Members have or will receive training in the following areas: Accident Investigation, Noise Control, Machine Guarding, Lockout, Confined Space Entry, Toxicology, Industrial Hygiene, Ergonomics, Fall Prevention, Ventilation and Review of New Equipment and advanced, national health and safety issues;
- review and analyze Local, State and Federal regulations relating to Health and Safety;
- review problems that are presented by the Joint Local Health and Safety Committee/Team make necessary and desirable recommendations;
- analyze data from the monthly safety reports and OSHA Form 200 and have special tests conducted where needed;
- discuss possible areas for cooperative research efforts regarding workplace hazards.

- minutes of the meetings will be given to the Central and Joint Local Health and Safety Committees/Team.
- submit its recommendations in writing to the appropriate Joint Local Health and Safety Committee(s)/Team following any joint meeting.

C. Joint Local Health and Safety Committees/Teams

Case Corporation and the UAW recognize the role and responsibility of the Joint Local Health and Safety Committee/Team to serve as a technical resource and consulting team to the Local Management and Union. The parties further recognize the need for the professional development of the Local Union and Management representatives; therefore, the Joint Local Committee/Team Co-Chairs will mutually identify and make available necessary and appropriate health, safety and ergonomics training in addition to that scheduled by the Central Safety Committee. The Company will cover expenses associated with this training.

Joint Local Health and Safety Committees/Team will be established in each bargaining unit (refer to Local Supplements). Each such Committee/Team will consist of representative(s) appointed by the Company and appointed, elected or volunteered representative(s) of the UAW. The Chairman of the Local 1356T Bargaining Committee or his designated representative from the Bargaining Committee may be a member of this committee. The Company representative(s) shall include the Plant Safety Supervisor, a member of either the Plant Engineering or Maintenance Department and one other representative of management. The Joint Local Health and Safety Committees/Teams shall meet once each month to:

1. Consider and make recommendations for the correction of conditions considered to be unsafe, unhealthy or unsanitary based upon plant inspections and employee observations. Copies of such recommendations will be furnished to the appropriate Company representatives and tentative completion dates will be discussed.
2. Consider and make recommendations on obtaining complete, salaried and hourly employee cooperation with the enforcement of safety and accident prevention rules and program guidelines.

3. Review OSHA Form 200, results of industrial hygiene surveys, Material Safety Data Sheets, employee complaints, local safety and health education programs, photographs taken of accidents and/or hazardous conditions, and the written progress report made by the Plant Safety Supervisor regarding recommendations made at previous Safety Committee/Team meetings.
4. Request, take, or assist in taking noise measurements, air contaminant and air flow readings using the recording devices and smoke tubes made available by the plant.
5. Request, surveys by the Company's Industrial Hygiene department of air quality and other industrial hygiene surveys. Copies of the results to be given to the Union.
6. Monitor programs such as Fall Prevention, Contractor Safety, Confined Space Entry, Noise Abatement, and Ergonomics and make recommendations to insure proper implementation.
7. Take an active role in reviewing, recommending and presenting local safety education and information programs and employee job-related safety training (e.g., hazard communication, lockout, accident investigation, confined space, etc., as required).

Minutes of the Committee/Team meetings shall be taken by one of the Company members, and if acceptable, signed by the Safety Supervisor and Union Joint Local Health and Safety Committee/Team Chairman. Copies shall be distributed to the Committee members and to the Chairman of the Union Bargaining Committee.

The minutes of the regular meetings will provide information and details to the Central Safety Committee for use in its evaluation and assistance in working with the specific problem areas relating to the plant.

The Union Joint Local Health and Safety Committee/Team Chairman, or his designee, may accompany an OSHA inspector on an official plant inspection tour.

The Joint Local Health and Plant Safety Chairman will be notified of the visit to the plant of a Company Safety and Health expert and will be afforded the opportunity to meet and discuss with him the purpose and/or results of his work.

The Joint Local Health and Safety Committee/Team may request the services of the Joint Central Safety Committee to review health and safety areas and specific problems at any time.

D. Union Access to Facilities or Information

The Company will provide access, upon reasonable notice, to Company plants and locations to health and safety representatives of the International Union. Such representatives may be accompanied on premises by Company representatives and the Chairman of the Joint Local Health and Safety Committee/Team and in Racine the Local 180 Area Safety Committeeman. Upon request, reports on such surveys will be provided to the Company.

The Company agrees to allow access to the Union Members of the Joint Local Health and Safety Committee/Team to reference material available to the Plant Safety Supervisor and other information such as Material Safety Data Sheets, accident reports, results of environmental and noise tests, injury and illness data, photographs, plant safety goals and corporate programs and policies. Such information is provided to the Union to assist it in performing its health and safety representational functions under the contract. Disputes that arise regarding disclosure of such information will be referred to the Central Committee for resolution.

The Company has established in each plant a file of Material Safety Data Sheets (MSDS) using Dept. of Labor form LSB-005-4 or any other equivalent form. MSDS sheets have been prepared for every chemical used in the plant. The MSDS file will be made available to the Joint Local Health and Safety Committee/Team.

E. Employee Access to Information and Records

Whenever an employee's personal exposure to a potentially hazardous material is measured, the results will be provided to the employee and a copy placed in the employee's medical file.

The Company will provide to employees who are exposed to harmful agents or toxic materials, at no cost to them, those medical services, physical examinations and other appropriate tests at a frequency and extent necessary to determine whether the health of such employees is being adversely affected.

If a medical examination or test given an employee by the Company discloses any abnormal conditions, the employee shall be informed of said conditions and shall be given a copy of any written opinion or recommendation made by the doctor.

Upon written request by the employee, the Company will make available to the employee and/or the employee's doctor all medical records (including X-rays) relating to the examinations, tests or in-plant injury or occupational illness at no cost to the employee.

F. Injury Reporting and Accident Investigation

Employees must report to their supervisor/facilitator any injury suffered so proper treatment can be administered by the First Aid Department or doctor. The Company shall promptly make adequate provision for first aid, hospital care, and ambulance service as necessary.

The supervisor/facilitator will be involved in the investigation of all OSHA recordable injuries and, if it is determined that the injury was caused by an equipment malfunction, the investigation will be completed prior to another employee being assigned to that machine, but no later than 24 scheduled hours.

Prior to investigating an OSHA recordable injury, the Company's Safety Supervisor will notify the Local Safety Committee/Team Chairman (in Racine, the Local Area Safety Committeeman) of the injury and afford him the opportunity to participate in such investigation and request appropriate photographs of the incident.

The Plant Safety Supervisor will promptly give a copy of the investigation report to the Joint Local Health and Safety Committee/Team Chairman or the Local Area Safety Committeeman. That report will be reviewed at the next regularly scheduled meeting.

G. Personal Protective Equipment

The protective safety equipment, which will be provided by the Company is set forth below. All personal protective equipment provided by the Company will continue to be of safe design and construction. Employees must wear the personal protective equipment, and use the protective devices and other safety equipment designed to protect them from injury and illness.

Eye Protection Program.

The Company will provide prescription and/or non-prescription safety glasses to all employees starting their employment with the Company. All employees are required to wear ANSI-Z87.1 approved safety glasses in the course of their employment. When safety glasses are damaged in the course of an employee's work, they will be replaced at no cost to the employee by the Company. For prescription safety glasses, the employee will provide the Company with a copy of their prescription and assume the cost of such prescription. When a correction is required in the employee's prescription, the cost of replacement prescription safety glasses will be assumed by the Company. The replacement cost of prescription safety glasses lost or damaged by improper care by the employee will be at the expense of the employee, unless two years have elapsed from the date of the last issue of prescription safety glasses.

Foot Protection Program.

The Company will provide toe clips or guards to all employees starting employment with the Company. All employees are required to wear prescribed foot protection in the course of their employment. The Company will make ANSI-Z41.1 approved safety shoes available to the employee for purchase. A supplement of \$25.00 will be paid toward the purchase of a pair of metatarsal-guarded shoes. Two (2) pair per year will be supplemented. When metatarsal-guarded shoes are required to comply with OSHA (such as the Racine Foundry), the Company will provide employees with metatarsal-guarded shoes from the Company approved suppliers or vendors in accordance with the requirements of OSHA. The employee must turn in the used pair of shoes and a receipt to receive reimbursement for the new pair of metatarsal-guarded shoes. Any employee removing a guard from a shoe is subject to normal disciplinary action. This provision is not

intended to reduce the Company's responsibility, in any way, under the OSHA Standard 1910.136

Miscellaneous

Personal protective equipment, devices and clothing, which are required or are necessary for particular work assignments, shall be provided and furnished by the Company. (Refer to Local Supplements for specific personal protective equipment.)

Personal protective equipment furnished employees except for prescription glasses, must be returned to the Company when terminating employment. The cost of such equipment not returned in usable condition will be deducted from the employee's last pay check, except for those items returned in unusable condition due to normal wear and tear.

Personal protective equipment that is damaged as a result of a workplace injury will be replaced at company expense.

H. Lost Time Payment

An employee who receives an in-plant injury which requires a visit to a hospital or doctor in or out of the plant will be paid the appropriate wage schedule hourly rate as applicable for the time lost, or the balance of the shift, whichever is shorter, provided the employee returns to the job promptly if able to return to work.

I. Health and Safety Dispute Resolution

Written grievances involving Safety that have been reviewed in the "second step" may be referred to the Local Safety Committee/Team. The remaining steps of the grievance procedure are also available for those grievances.

It is the desire of the parties that problems and questions relating to Health and Safety should be resolved through the use of these Safety Committees/Team by the parties without referral to government agencies.

J. Fall Prevention

The Company will continue to apply its comprehensive fall prevention program. Hazardous tasks will be prioritized and plans for control measures will be developed and implemented. The

programs guidelines, which will constitute a base line, or benchmark, will be distributed to each facility. The Local Health and Safety Committee/Team will review the program and, based on that facility's operations, may make recommendations.

K. No Hands in Die/Protection Program

The Company is committed to the Safety and Health of all employees, regarding power press and press brake safety. During this agreement the Company will strive to achieve a No Hands in Die application and where this is not feasible, it will ensure point of operation devices such as brake monitors, barrier guards, light guards, or simultaneous and concurrent activated two-handed controls are utilized and maintained in working condition.

For those operations which require employees to place their hands or arms into the die area, power presses will, where feasible, be additionally equipped with safety devices to prevent the press ram from cycling or falling, while the employees are loading and unloading into the die area.

Press brake operations will incorporate safety methods, procedures, tools, devices, or combination of these to achieve pinch point protection.

The parties agree to consult with recognized experts in the field of power press safeguarding to identify potential areas to improve employee protection.

L. Abatement Programs

Noise

The Company will continue to develop and implement feasible engineering controls in an effort to eventually eliminate the use of hearing protection. Where feasible, the Company is committed to purchasing equipment or machinery that will further the noise reduction objective. The Joint Local Health and Safety Committee/Team will receive copies of any noise surveys conducted in that facility that year and review the most recent noise abatement plan. The Joint Local Health and Safety Committee/Team may make recommendations after reviewing this information.

Respirators

The Company will provide pulmonary function tests as deemed necessary by the Company Medical Director.

The Company will proceed with such pulmonary function tests for welders and foundry employees.

The Company will continue to experiment with new and innovative welding procedures and/or equipment.

The Company will review with the Local Safety Committee/Team the respirator abatement program currently in effect, and those it is planning to undertake. The Company will supply this information to the Local Safety Committee/Team in writing with the understanding that the Local Safety Committee/Team will have an opportunity to discuss the respirator abatement program with the Company and make recommendations designed to improve upon it.

M. Lockout Program

There shall be an effective lockout program in each plant, which shall include:

- machine specific lockout procedures
- the dissemination of lockout procedure information (it is the Company's intent to post lockout procedures where written lockout procedures have been established pursuant to OSHA Standard 1910.147); the Joint Local Health and Safety Committee/Team will review written procedures and make recommendations where the information is incomplete.
- compliance inspections

The Company will review with the Local Safety and Health Committee/Team the machinery and equipment lockout program currently in effect, as well as any modifications to the program when made. The Company will supply this information in writing with the understanding that the Local Safety and Health Committee/Team will have an opportunity to discuss the program and make recommendations designed to improve upon it.

N. Ergonomics

The Company has implemented and will maintain a comprehensive ergonomics program. The elements of the program and implementation timetable will be reviewed periodically with the Central Committee and each Joint Local Health and Safety Committee/Team.

Where feasible, engineering controls will be the primary method of reducing cumulative trauma risks and administrative controls will be used pending the installation of any feasible engineering controls.

O. Hazardous Material Review and Reduction

Effective control of hazardous materials protects the employees of Case as well as the environment in the surrounding communities. The Company will continue reducing its use of hazardous materials where feasible. This program will be reviewed periodically with the Joint Local Health and Safety Committees/Teams. The Local Union Health and Safety Committee/Team Chairman will be provided with advance information on hazardous materials which affect the health and safety of UAW members and be given an opportunity to participate in the review and make recommendations.

P. Contractor Safety Program

The Company will establish a Contractor Safety Program at each facility, which will include guidelines on pre-qualification, site inspections and enforcement procedures. The draft program will be circulated among members of the various Plant Safety Committees/Teams for review and recommendations.

Q. New and Modified Machinery and Plant Rearrangement

Where feasible, health and safety issues (such as ergonomics) should be considered at the early stages of process development or machinery acquisition. Accordingly, engineers involved in such projects should be knowledgeable or receive training in ergonomics, health and safety hazard analysis and the Company's related specifications for machinery acquisition. Whenever possible, the Company will provide advance notice to the Joint Local Health and Safety Committee/Team of significant acquisitions of new equipment and machinery or layout changes which may adversely affect the health and safety of employees.

R. Preventive Maintenance

The Company will establish and implement preventive maintenance programs in areas that affect employee health and safety. The Joint Local Health and Safety Committee/Team will periodically monitor these programs.

S. Industry Research Projects

Where feasible, the Company will continue its participation in relevant research projects conducted within industry for the prevention and elimination of work place hazards.

T. (Local Supplement)

U. The apprenticeship committee at each local plant will make provision for health and safety training for apprentices.

V. Working Alone

The Company will continue to apply its working alone policy. This policy provides guidelines on the assignment of employees, highlight special hazards and recommend rules, procedures and safeguarding systems for the elimination or control of these hazards.

W. Union Liability

The International Union, Local Unions, Union and Joint Local Health and Safety Committees and Union members of such Safety Committees/Teams and Union officials, employees and agents shall not be liable for any work-connected injuries, disabilities, diseases, deaths or loss resulting there from which may be incurred by employees of the Company or its subsidiaries or by third parties while on Company property. This is not intended to, and does not, increase the Company's liability in such cases beyond its' normal exposure, if any (i.e., Worker's Compensation).

Section 4. Group Insurance and Pension.

A. The group insurance plan agreed to between the parties will run concurrently with this Agreement and is hereby made a part of this Agreement.

B. Insurance Claim Review.

The Company recognizes the importance of resolving disputes involving Group Insurance Claims, and the importance of retaining the confidentiality of the information contained therein on behalf of the employee. Therefore, these cases would be treated apart from the grievance procedure in the following manner:

To resolve the disputes and maintain the confidentiality of the claim, the Local Plant Industrial Relations Manager, or his representative, will review the claim and related pertinent facts with the Joint Local Union Insurance Representative.

This review will be held monthly at a time mutually agreed upon. Five (5) days in advance of this same meeting the Company will provide the Local Union representative information relative to all claim denials, death benefit payments, and those employees who have received 48 weeks of accident and sickness benefits.

C. The pension plan agreed to between the parties will run concurrently with this Agreement and is hereby made a part of this agreement.

D. All disputes or claims arising under or relating to the pension plan shall be processed pursuant to the provisions of the pension plan and shall not be subject to the grievance procedure set forth in Article VII.

Section 5. Supplemental Unemployment Benefit Plan.

The Company and the Union agree in principle on the desirability of providing income protection for employees in periods of layoff through supplemental unemployment benefits. The supplemental unemployment benefit plan will provide protection for employees of the Company. It will be known as the "Supplemental Unemployment Benefit Plan", and is made a part of this Agreement and attached hereto as a Supplement.

Section 6. Jury Service Pay.

Any employee who has completed his probationary period and who is summoned and reports for jury duty in a court of record (including coroner's juries) or who is required by law to appear and does appear for examination by a jury commission prior to such jury service will be reimbursed by the Company for each day on which he performs such jury duty and on which he would otherwise have been scheduled to work, in accordance with the succeeding provisions of this section:

- A. If he is absent for his entire shift because of such jury duty, he will be paid the difference between his jury duty and eight (8) hours of straight time pay at his regular straight time rate (excluding shift premium) for the pay period immediately prior to such jury service.
- B. If he performs such jury duty and works on the same day, he will be paid the difference, if any, between his actual earnings for that day plus the jury pay received and eight (8) hours of straight time pay at his regular straight time rate (excluding shift premium) for the pay period immediately prior to such jury duty.
- C. Time paid for but not worked will not be counted as hours worked for purposes of overtime. Reimbursement to an employee under this section shall be payable only if the employee (i) gives the Company prior notice of his summons for jury duty, (ii) presents evidence satisfactory to the Company that jury duty was performed on the day or days for which such reimbursement is claimed, and (iii) when released or excused from such duty returns to work promptly.
- D. An employee who is subpoenaed for court appearance and is not the plaintiff or defendant, will be paid for such time lost in the same manner as outlined above for jury duty. If an employee is excused from jury service more than five (5) hours after the applicable start time of the first shift employee or less than three and one-half hours prior to the applicable start time of the second shift employee, he will not be required to return to work that day. A third shift employee will be excused from work on either the shift immediately preceding the start of his jury service, or the shift immediately following the completion of his jury service. This is at the option of the employee.

however, he must notify his immediate supervisor prior to being absent, and it is not for both the day preceding jury service and the day following jury service.

Section 7. Bereavement Pay.

- A. When death occurs in an employee's immediate family: spouse, child, parent, step-parent, brother, sister, half brother, half sister, current spouse's parent, grandparent, current spouse's grandparent, grandchild, adopted child, step child, or a stillborn child, brother-in-law, sister-in-law, an employee on request, will be excused for any three (3) normally scheduled days of work (or for such fewer days as the employee may be absent) during the three (3) days (excluding Saturdays and Sundays) immediately following the date of death, provided he attends the funeral. In the event of a memorial service or delayed funeral, the requested days off (for which an employee meets the qualifications under this Article) need not be consecutive but must not extend beyond the day following such memorial service or funeral. A Sunday funeral which is held at a distant location where travel may be required on Monday, will be treated the same as a delayed funeral an such Monday travel day will be considered as an excused day.
- B. When death occurs to the following relatives of an employee: son-in-law or daughter-in-law, the employee, on request, will be excused from work during the day of the funeral, provided he attends the funeral.
- C. After making written application, the employee shall receive pay for any scheduled days of work for which he is excused (excluding Saturdays and Sundays, or in the case of 7-day operations, the sixth and seventh days of the employee's scheduled workweek), provided he attends the funeral. Payment shall be made at the employees' regular straight-time rate (including shift premium). Time thus paid will not be counted as hours worked for purposes of overtime pay.

Section 8. Unenforceable Provisions.

In the event that any of the provisions of this Agreement shall be or become invalid or unenforceable by reason of any federal or state law or regulations now existing or hereinafter enacted, such invalidity or unenforceability shall not affect the remainder of the provisions hereof.

Section 9. Scope of Agreement.

This Agreement disposes of any and all bargaining issues, whether or not presented during negotiations, except with respect to the processing of grievances as provided in Article VII, and shall remain in full force and effect without further change until the expiration thereof.

Section 10. Mutual Interests.

For the purpose of promoting the mutual interest of both parties and with a view toward bringing about a better understanding with our people and more harmonious relations between the Company and the Union, the Company agrees that before instituting (implementing) any changes affecting the hours and working conditions of its employees, it will notify the Union (in writing where appropriate) except in those situations such as emergencies where time does not permit. In all cases, however, the Company will discuss and explain the reasons necessitating such changes. Nothing in this section is intended to add to or take away any of the rights that accrue to either party under the other sections of this Agreement.

ARTICLE XV TERMINATION

This Agreement (including both Central and Local understandings) shall continue in full force and effect through May 2, 2004 and thereafter from year to year unless sixty (60) days prior to such date either party gives notice in writing of a desire to terminate this Agreement.

INTERNATIONAL UNION,
UNITED AUTOMOBILE,
AEROSPACE AND
AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA

CASE CORPORATION

By: Richard Shoemaker
Paul Korman
James Beardsley
James R. Atwood
Jack Reese
Dennis Williams
Ray Gulley
Joseph Kirilak
Bill Bowling
John Callings
Renee Turner-Bailey
Ron Blum
Joe Slackpole
Leonard Page
John Snow
Kari Manlyla
Chuck James

By: Marc Castor
Paul Crist
Tom Graham
Tim Heas
Dan Hansen
Judy Lojeski
Todd Spratte
Julie Tennie
Jim Grauwels

LOCAL UNION NO. 13667
(East Moline)

By: Tom Kile
Jim Stribling

EAST MOLINE
By: Chip Nelson
Larry Hamm

Hires Before 5/14/98